

*Leave of Absence**Thursday, January 29, 2004***SENATE***Thursday, January 29, 2004*

The Senate met at 2.00 p.m.

**PRAYERS**[MADAM PRESIDENT *in the Chair*]**LEAVE OF ABSENCE**

**Madam President:** Hon. Senators, I have granted leave of absence to Sen. the Hon. Martin Joseph from today's sitting of the Senate.

**PUBLIC ASSISTANCE  
(AMDT. AND VALIDATION) BILL**

Bill to amend the Public Assistance Act, Chap. 32:03, brought from the House of Representatives [*The Minister in the Office of the Prime Minister*]; read the first time.

**PAPERS LAID**

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Central Marketing Agency for the year ended December 31, 1986. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
2. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Central Marketing Agency for the year ended December 31, 1987. [*Sen. The Hon. C. Enill*]

**ORAL ANSWERS TO QUESTIONS**

*The following questions stood on the Order Paper in the name of Sen. Wade Mark:*

**Programme for Upgrading Road Efficiency  
(Details of Sums Owed)**

22. Could the hon. Minister of Works and Transport provide details on:
  - (i) The outstanding sums of moneys owed to contractors for works done under the PURE Programme as at October 31, 2003?
  - (ii) The breakdown of the sums owed and to whom?

**National Entrepreneurship Development Company Limited  
(Sources of Finance)**

- 30.** A. Could the hon. Minister of Labour and Small and Micro Enterprise Development outline in detail the sources of finance secured by the National Entrepreneurship Development Company Limited for the period August, 2002 to October, 2002?
- B. Could the Minister also provide details, if any, of:
- (i) the forms and contributions of the loan secured;
  - (ii) the name or names of the relevant financial institution or institutions?

**National Entrepreneurship Development Company Limited  
(Loans)**

- 31.** Could the hon. Minister of Labour and Small and Micro Enterprise Development provide:
- (i) the names of the loans officers employed by NEDCO during the period August, 2002 to October, 2002; and
  - (ii) the criteria used by these officers in granting the same loans?

**Unleaded Gasoline**

- 32.** Could the hon. Minister of Energy and Energy Industries state:
- A. (i) what type of unleaded gasoline will be sold on the local market; and
  - (ii) precisely what policy would be adopted in ensuring proper working catalytic converters are installed in all vehicles?
  - B. Could the Minister also state whether unleaded gasoline to be used in this country has benzene and other harmful cancer-poisoning chemicals?

**The Attorney General (Sen. The Hon. John Jeremie):** Madam President, I wonder whether the Senate might be minded to defer the questions en bloc for one week. It is my understanding that they are not ready today.

**Madam President:** There are three questions on the Order Paper; one was already deferred for a week.

**Sen. The Hon. J. Jeremie:** Yes.

**Madam President:** And one on the supplemental.

**Sen. The Hon. J. Jeremie:** Yes. [*Interruption*]

**Sen. Mark:** Madam President, can I—

**Madam President:** Yes.

**Sen. Mark:** Madam President, as you are well aware, these questions would have been submitted weeks ago, and whilst I could excuse the Minister of Works and Transport, who indicated to us on Tuesday that he would like one week—which would mean next Tuesday—I have no difficulty with that. I cannot excuse the Government as it relates to questions numbers 30 and 31. I do not understand why questions that were submitted weeks ago—and we have a sitting today—the Minister must have been informed properly that those questions are not being answered. And I am being told to defer them for next Tuesday. I think that if the Minister was not informed, he should be informed, and we could defer these questions and let him come to the Parliament and answer these questions later on this evening. I am prepared to wait on him.

**Sen. The Hon. J. Jeremie:** Madam President, the answers to these questions are not ready and cannot be ready this afternoon. So I am compelled to ask for a further week.

**Madam President:** Until Tuesday of next week.

**Sen. The Hon. J. Jeremie:** Yes, it is just for a couple of days now.

**Madam President:** Sen. Mark, I will ask you to agree to this.

**Sen. Mark:** I will be restrained today.

**Madam President:** Hon. Senators, the question is that questions Nos. 30 and 31 on the Order Paper and question No. 32 on the Supplemental Order Paper be deferred until Tuesday. Everyone agrees?

*Assent indicated.*

**Madam President:** Thank you very much.

*Questions, by leave, deferred.*

#### WRITTEN ANSWER TO QUESTION

*The following question was asked by Sen. Wade Mark:*

### Distribution of Lands

**11.** Could the hon. Minister of Agriculture, Land and Marine Resources provide this Senate with a list outlining the:

- (i) names
- (ii) addresses
- (iii) location of all lands which were distributed during the period January 2002 to November 30, 2003?

*Vide end of sitting for written answer.*

### FINANCE BILL

*Order for second reading read.*

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, I beg to move,

That a Bill to amend the Central Tenders Board Ordinance, the Income Tax Act, the Corporation Tax Act, the Petroleum Taxes Act, the Customs Act, the Finance Act, 1987, the Miscellaneous Taxes Act, the Stamp Duty Act, the Value Added Tax Act and for matters incidental thereto, be now read a second time.

Madam President, the Bill before this honourable Senate was considered in the other place on Friday last, and was passed with amendments. Having regard to that, however, I wish to advise the honourable Senate that the drafters have indicated that an amendment is required to Part I(b), and I am advising, at this time, that at Central Tenders Board 3(b), the amendment says, “by deleting section 24 and substituting the following new section”—it is the little piece that needs to be added. [*Interruption*] Everything else is in the Bill except this particular statement that should say, “by deleting section 24 and substituting the following new section.” The new section is there at page 8.

**Madam President:** So hon. Minister it is an omission of that statement.

**Sen. The Hon. C. Enill:** Yes.

**Madam President:** Thanks.

**Sen. The Hon. C. Enill:** Madam President, it is an omission at page 8, and it is two lines. The lines should read “by deleting section 24 and substituting the following new section.” The new section is there; what I have just said is not there.

**Madam President:** Yes.

**Sen. The Hon. C. Enill:** Madam President, I believe there is one other change at page 11 8A. We have “Financial Act” in the fourth line; instead of “Financial Act”, it should be the “Finance Act”. I am advised that these were not properly brought before us in the document that was circulated.

Our economy remains one of the healthiest in the region. Real gross domestic product (GDP) is expected to expand beyond the 6.7 per cent in 2003, which, in fact, was up from 4.6 per cent in 2002. This buoyant growth has been driven by the energy sector primarily from the increased liquefied natural gas production, and a 6.1 per cent increase in crude oil production. However, as we have said, activity in the non-energy sector remains somewhat subdued by comparison, but, in fact, expanded minimally by .6 per cent in the nine-month period to September 2003.

Trinidad and Tobago's economic growth has been driven mainly by direct foreign investment which has been directed to the energy sector. This level of foreign investment needs to be complemented, in our view, by a greater level of local participation which could be achieved through a stronger national savings effort, both public and private. The Finance Bill, therefore, that is before us provides for a number of amendments that would strengthen Trinidad and Tobago's path of economic growth through stimulated sectional savings effort.

Government's policy of providing additional wealth and income opportunities for the widest cross-section of the national community is being given an added boost by the enhanced allowance for sponsorship of art, sports and culture. These and other measures were announced by the Prime Minister in his budget presentation for the fiscal year ending September 30, 2004.

Madam President, I do not propose to go through every clause of the Bill before us, but I will identify provisions which vary significantly from the existing law. I will, therefore, not be addressing this honourable Senate on drafting and other areas which are being corrected in this Bill. Nonetheless, where required by Senators I will provide further explanations on any clause during my reply.

Clause 3 of the Bill provides amendments to the Central Tenders Board Ordinance, No. 22 of 1961. This Ordinance has been amended on several occasions and for varying reasons spanning a period from 1965 to more recently in 1993. The existing legislation allows for a partially decentralized system, whereby some of the authority of the Central Tenders Board has been devolved to permanent secretaries and tenders committees of statutory authorities.

In the near future, the Government will introduce legislation which will provide a model which is completely decentralized. Under this model, government departments and statutory boards will have their own procurement units and will not be required to refer to the Central Tenders Board. The legislation will also establish an independent regulatory authority which would be responsible for the formation of procurement policy, guidelines, procedures and processes to ensure that the underlying principles of transparency, accountability and value for money are upheld in the procurement process by government departments and agencies. It is intended that this new independent regulatory authority will audit governmental agencies and examine the procurement function to ensure that there is value for money.

In the meantime, however, and before more comprehensive legislative changes are made, the amendments before this honourable Senate will speed up the procurement process, while at the same time empowering the Central Tenders Board to focus on value for money rather than the lowest bid made. It is, therefore, proposed to amend section 24 of the Central Tenders Board Ordinance, to authorise the CTB to accept the lowest offer which represents the best value. As such, the Board is not bound to accept the lowest or any offer.

The amendments, which are before this honourable Senate, also seek to increase the financial limits available to permanent secretaries and tenders committees. Given current market prices in inflation over the years, the existing limits, which can be as little as \$5,000 for permanent secretaries, have proven to be woefully inadequate. The increased limits would allow these officers to perform more expeditiously in the management of the organizations under their control. In making this proposal we have also included one other control. That is, the Central Audit Committee of the Ministry of Finance will have the power to audit, on a periodic basis, the transactions that the new limits, given to the permanent secretaries and tenders Committee, will be using. Therefore, that is an additional control we have now included in the system to ensure that standards and accountability are maintained within the process.

I will now turn to clause 4 of the Bill which seeks to amend several provisions of the Income Tax Act. As the main revenue-raising agencies of the State, the Board of Inland Revenue and Customs & Excise Departments, quite frankly, need to be run efficiently and effectively in order to preserve the integrity of the State's revenues. We have said time and time again, given where these organizations sit, within the context of the Government's programmes and the Ministry of Finance, there needs to be a mechanism in which we can attract the best people and have

the best systems. Therefore, efforts are underway to create a revenue authority which will oversee the operations of the Board of Inland Revenue Department and the Customs & Excise Department, in order to minimize leakages in the system, and to ensure that there is compliance with our taxation laws particularly in the areas of collection. At the same time, we need to create an environment to facilitate trade and investment, also bearing in mind our social responsibility to those who need our protection.

The amendments to all taxing laws are part of the initiative towards simplification of the taxation system, and also towards increasing the administrative efficiency. The proposals before this honourable Senate will also be mindful of the special needs of the more vulnerable taxpayers in our society, particularly our retirees. In addition, the Finance Bill, 2004 will treat with the role that is to be played by our corporate citizens in creating opportunities in the areas of education, sports and culture.

This Government recognizes the importance of savings. When people save part of their income, economic resources are released, which may be invested in various projects and, in the long run, the level of savings may influence the rate of economic growth. Our existing legislation contains various tax incentives for savings, which are, in fact, intended to encourage taxpayers to save for certain purposes and in certain forms. For instance, savings for the purpose of retirement is subsidized through the granting of tax reliefs on pension fund plans and annuities.

Some categories of income, however, such as interest payable on bonds issued by the Trinidad and Tobago Mortgage Finance Company Limited, and interest earned by resident individuals who have attained the age of 60 years, are already tax exempt. Interest income earned by resident individuals, which is not already tax exempt, is currently taxed at source at the rate of 5 per cent. To encourage increased savings by resident individuals and to help fuel economic growth and development, the amendment at clause 5(b) of the Bill will remove altogether—with effect from January 01, 2004—the tax on interest income earned, not only at financial institutions, but also from unit trust.

The particular decision was taken because we believe that in our budget presentation the population was of the view that the effective date was from January 01. Therefore, we wanted to ensure that whatever we promised we delivered, and this date of January 01 is, in effect, delivery on that particular promise. This exemption will cover interest payments received by a resident individual from all classes of savings or other accounts, bonds, dividends and distribution income from local sources.

Where a bank or other financial institution has already deducted the 5 per cent tax during the month of January this year, but has not remitted this amount over to the Board of Inland Revenue—quite frankly, I do not think anybody has—the bank shall not remit the deduction to the Board of Inland Revenue but should credit the individual's account with the amount of tax deducted. This tax exemption and interest income will, however, not apply to interest received by resident individuals from savings and other investments located outside of Trinidad and Tobago. Such foreign interest income will be subject to the normal scale rates which are: 25 cents for every dollar of the first \$50,000 of chargeable income, and 30 cents for every dollar in excess of \$50,000. In addition, interest which is paid, credited or accrued to a non-resident individual would be taxed at the withholding tax rates, unless otherwise reduced under a double taxation agreement.

The basic personal allowance for resident individuals who have attained the age of 60 years was increased in the year 2001, from \$20,000 to \$30,000. In order to increase the net disposable income available to Government pensioners in particular, whose incomes, to a large extent, have been drastically reduced in times of greatest need when health issues arise, it is proposed to further increase the basic personal allowance for resident individuals who have attained the age of 60 years from \$30,000 to \$40,000.

Additionally, this amendment will extend to non-resident individuals in receipt of pension income arising in Trinidad and Tobago who have attained the age of 60 years. These non-resident pensioners are currently not entitled to any allowances in computing their chargeable income, and the introduction of the new section 18(2) of the Income Tax Act is intended to provide relief to these pensioners notwithstanding their non-resident status.

Madam President, in determining the chargeable income of a person carrying on a trade or business, section 11(7) of the Income Tax Act requires that person to pay lands and buildings taxes before he is granted wear and tear allowances. However, the existing law requires lands and buildings taxes to be paid in the year of income in which the wear and tear allowances are claimed. In other words, if the lands and buildings taxes are paid in a subsequent year, the claim for wear and tear would be disallowed by the Board of Inland Revenue.

Again, in reviewing our taxing laws, the Government noticed that the requirement to pay lands and buildings taxes is also contained in the mortgage relief provisions. However, the taxpayer can claim the mortgage relief if the lands and buildings taxes are paid in a subsequent year of income. In order to accord similar treatment as the mortgage relief provisions, it is proposed that section



11(7) of the Income Tax Act be amended by deleting the requirement to pay the lands and buildings taxes in the year of income in respect of which the wear and tear allowances are claimed.

Since the removal of the requirement for individuals with emoluments to file income tax returns, the Board of Inland Revenue has increased a number of pay-as-you-earn (PAYE) audits on employers. However, the legislation does not specifically empower the Board to conduct audits for PAYE purposes although this power may be implied. In addition, the appeal provisions relating to PAYE are restricted to issues concerning whether an amount is an emolument and does not provide for an appeal where the quantum of emolument is in dispute. Further, the legislation does not establish very clear guidelines governing the appeal process where an employer disputes an assessment.

The proposed amendments contained in this Bill seek to remedy these defects by extending the issues that can be objected and appealed against, to include issues relating to the quantum of the emolument and also making provisions for persons to object to and, where necessary, to appeal to the Tax Appeal Board, where the Board of Inland Revenue requires them to pay taxes. It is simply correcting something that was inconsistent.

Section 119(2) of the Income Tax Act currently provides that the Board of Inland Revenue may initiate prosecution within 12 months from the date of the commission of an offence or within six months from the date that the Board becomes aware of the matter; whichever is the later period.

With the establishment of the Criminal Investigation Unit within the Board of Inland Revenue, it is expected that there would be several major investigations of tax fraud. Based on the experience, however, of other jurisdictions, as well as on the advice from our local law enforcers, we have been advised that investigations involving financial fraud tend to be complicated and time consuming. As such, a one-year limitation for prosecution appears unrealistic. It is, therefore, proposed that section 119(2) of the Income Tax Act, be amended to provide for a limitation period of three years from the commissioning of the offence or 12 months from the date on which evidence, sufficient to justify proceedings, come to the knowledge of the Board of Inland Revenue.

Expenses incurred by an employer, for the benefit of employees, are generally charged to tax as the income of an employee where the employee does not reimburse the employer. However, where an employer incurs expenses in providing pension or annuity benefits on behalf of his employees, the value of

those expenses are not subject to tax, when the pensions or annuity policies are approved by the Board of Inland Revenue, in accordance with the provisions of section 134 (6B) of the Income Tax Act. The Board of Inland Revenue is unable to approve these pensions or annuity policies taken out by employers where, for instance, the lump sum or gratuity payable on the death or retirement of the employee exceeds 25 per cent of the capitalized value of the annual pension or annuity.

The majority of section 134(6) plans submitted to the board for approval provide for a full refund of premium to the personal representative of the deceased employee and are in contravention of the requirements of section 134 (6B) which specifically limits the lump sum payable on death to 25 per cent of the capitalized value of the annual pension or annuity. In fact, the Board of Inland Revenue has, due to an oversight, been approving these plans with the full refund of premiums on death clause. While the Board of Inland Revenue is not against the unrestricted refund of premiums on death, the Board is of the view that refunds of premiums under section 134(6) should be consistent with the other provisions in the Income Tax Act relating to deferred annuities.

This honourable Senate would note that under section 28 of the Income Tax Act, there are no limitations on the amount of premiums that may be refunded under an approved deferred annuity plan purchased by an individual in the event of his death before the date fixed for the payment of annuities under the plan. Nevertheless, any refund of premiums paid or payable under a section 28 approved deferred annuity plan, or after the death of an individual annuitant, currently attracts a tax at the rate of 10 per cent. The trustee, under the approved deferred annuity, is required to deduct and remit to the Board of Inland Revenue, the 10 per cent tax deducted from the refunds of premiums and the net refund payable not be treated as part of the income of the recipient.

To be consistent with the provisions of section 28 of the Income Tax Act, the amendment at clause 4(ID)(j) of the Bill provides for a 10 per cent tax to be paid on a refund of premiums under these special deferred annuity contracts purchased by employers on behalf of their employees. In addition, provision has also been made to validate the previous actions of the Board prior to the commencement of this Bill in approving plans with the full refund on death clause.

**2.30 p.m.**

Madam President, I now turn to the thinking behind the provisions contained in clause 5 of the Bill. This clause seeks to amend the Corporation Tax Act. In the last financial year, the Government implemented incentives to companies wishing

to sponsor sporting activities as well as audio, visual or video productions reflecting local culture or local education or entertainment. A company which contributes financially towards the promotion of sporting events, local entertainment or educational productions can claim an allowance equal to 150 per cent of the actual expenditure up to a maximum allowance of \$450,000. The Government recognizes the need for greater input by corporate citizens in the areas of sports, education and local culture and proposes to increase the maximum allowance, which may be claimed by companies, from \$450,000 to TT \$1 million.

A considerable amount of sponsorship in the areas of art, culture, sport and audio/video productions is undertaken by companies in the petroleum sector. However, since the provisions of the Corporation Tax Act relating to these incentives are not specifically applied to the Petroleum Taxes Act, petroleum companies are currently unable to benefit from the incentives. In clause 6 of the Bill, the Petroleum Taxes Act will, therefore, be suitably amended to allow petroleum companies to benefit from these incentives.

In administering these sponsorship provisions, it was observed that the Minister of Finance would be required to certify the purposes for which the financing was intended, although the technical capability does not reside in the Ministry of Finance to access these productions. In order to correct this, it is proposed that the relevant minister who is responsible for education or culture, as the case may be, should be the more appropriate person to issue certificates. This, Madam President, is a clear example of the dynamic nature of legislation. If it does not work we are not afraid to fix it until it finally serves the purposes for which it was intended.

I will now examine clause 7 of the Bill which deals with amendments to the Stamp Duty Act. Madam President, this Senate will recall that, with effect from November 06, 2000, the Stamp Duty Act was amended to eliminate the affixing of postage stamps to legal documents and other instruments as a means of verifying the payment of stamp duty. Having paid the requisite amount of stamp duty in cash, the government agency would verify such payment by other means, such as embossing or impressing by means of a dye. The amendment to the Stamp Duty Act was required to preserve the collection of revenue upon the stamping of legal documents.

The amendment to the Stamp Duty Act in 2000 has nevertheless brought with it certain difficulties for public companies in respect of proxy forms distributed to shareholders and for persons executing agreements under hand. In particular, the elimination of the use of postage stamps as a means of denoting the payment of

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stamp duty currently requires the submission of proxy forms to the Board of Inland Revenue for stamping, either personally by individual shareholders or by companies as a service to their shareholders. The experience of some companies has indicated that, given the strict limits provided in the Companies Act for the issuing of notices, the stamp duty office has been experiencing some difficulty in handling large numbers of proxy forms in a timely manner.

The public is further inconvenienced in the case of simple agreements under hand, which were previously stamped with an adhesive postage stamp cancelled by the parties. Every such agreement now has to be submitted to the Board of Inland Revenue before it can be made valid by stamping. The Government agrees that the relatively insignificant amounts of duties collected in stamping proxy forms and agreements under hand cannot be compared to the public inconvenience caused in stamping these documents. As such, it is proposed to exempt from the payment of stamp duties all letters or powers of attorney, including proxy forms, as well as agreements under hand.

Madam President, I will now refer you to clause 8 of the Bill which seeks to amend several provisions of the Miscellaneous Taxes Act. The United Independent Petroleum Marketing Company Limited, commonly known as UNIPET, is a wholesale marketing company which has been collecting the road improvement tax since the year 2000, without legislative authority to do so. UNIPET has been dutifully remitting the road improvement taxes collected by it to the Board of Inland Revenue. In order to regularize their role as a tax collector, the Miscellaneous Taxes Act will now be amended by the inclusion of other wholesale marketing companies as collectors of the road improvement tax. In addition to making a wholesale marketing company a collector of this tax, it will also be necessary to validate the collection of this tax by UNIPET, the only other wholesale marketing company apart from National Petroleum Marketing Company Limited, and this is dealt with at clause 13 of the Bill.

Clause 8 of the Bill, Madam President, deals with a commitment that we have made to this Senate as it relates to the operationalization of the Green Fund. You would recall that, when we spoke on the last occasion, we said that there were certain difficulties in the operationalization of the Green Fund because it did not fit with the requirements under the Exchequer and Audit Act. We believe that in this formation it will do that and, therefore, clause 8(b) of the Bill deals with amendments to the Green Fund provisions under the Miscellaneous Taxes Act. As we said, the existing Green Fund provision did not provide for proper accountability, transparency and management of the resources of the fund.

Madam President, the resources of the Green Fund are derived from taxes imposed by the State for a public purpose. In reviewing the structure of the Green Fund, this Government has adopted a model for the management of this fund, which is similar to that utilized for other funds in the public system as provided for under the Exchequer and Audit Act. In restructuring the Green Fund, the legislative changes contained in the new Part, I believe it is XV, of the Miscellaneous Taxes Act, will facilitate the operation and administration of the fund in a manner similar to other funds, such as the Road Improvement and the Unemployment Levy Fund. The fund will therefore operate in accordance with guidelines established under section 43 of the Exchequer and Audit Act.

Operationally, where funds are established under section 43 of the Exchequer and Audit Act, the Minister of Finance would be responsible for the disbursement of moneys from the fund while the day-to-day management of programmes financed by the fund would be the responsibility of the appropriate line minister. In the case of the Road Improvement Fund, marginal responsibility will be given to the Ministers responsible for highways and local government. Similarly, it is proposed that the day-to-day management of activities financed by the Green Fund would be under the jurisdiction of the minister with responsibility for the environment.

In these circumstances, the role of the existing Green Fund Agency would become redundant. Notwithstanding the removal of the Green Fund Agency, the minister with responsibility for the environment will still need to be properly advised by competent, qualified persons. Given the scope of environmental issues, the Government felt it would be prudent to have an existing unit for the Green Fund, which will be part of the establishment of the ministry with responsibility for the environment. This unit will be staffed by full-time, competent, qualified persons in the areas of accounting, project management and the environment, who will not only advise the minister but will also guide community groups receiving moneys from the Green Fund.

Government has also agreed that the environmental management agency, the regulatory body which is responsible for taking enforcement action against persons who do not comply with the Environmental Management Act, 2000, should not be seen to be managing the activities of any community group financed by the Green Fund. We believe that if they were involved then there would be a potential conflict and therefore we have not recommended this. These changes will set the stage, therefore, for the operationalization of this particular fund.

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Madam President, clause 9 of the Bill seeks to amend section 45 of the Customs Act by prohibiting the importation of all types of armoured vehicles, except with the written permission of the Minister of National Security and Rehabilitation. At present, the Minister of National Security and Rehabilitation would be aware of importations of armoured vehicles to be used by the military, however, he would not be aware of such importations if any vehicle is imported by a civilian or paramilitary group. There are two such vehicles which are the subject of criminal proceedings before the courts.

Finally, Madam President, clause 9(b) of the Bill seeks to simplify the requirements for the importation of left-hand drive vehicles by returning nationals, by changing its character from an item prohibited to be imported under the Customs Act, to an item requiring a licence to be issued by the Minister of Trade and Industry. This licensing requirement focuses on the minister who will now issue a licence pursuant to the Trade Ordinance, which generally provides for the importation of goods into Trinidad and Tobago. A suitable amendment to the legal instrument issued under the Trade Ordinance will also need to be made simultaneously with the enactment of this Bill.

Madam President, the proposed amendments in this Bill reflect Government's policy objectives and are geared towards generating and continuing the positive macroeconomic results that have characterized Trinidad and Tobago's economy. They are all essential elements of a comprehensive programme that will assure our attainment of developed country status as we move along to the achievement of that particular objective in the shortest possible time, and certainly by the year 2020.

Madam President, I commend these recommendations to the honourable Senate and I believe that they represent a fulfilment of some of the promises that we had made when we delivered the last budget statement.

With those brief remarks, Madam President, I beg to move. [*Desk thumping*]

*Question proposed.*

**Sen. Carolyn Seepersad-Bachan:** [*Desk thumping*] Thank you, Madam President. I am pleased to join in this debate on the Finance Bill, 2004. Madam President, in listening to the Minister of Finance, he first opened by giving a brief synopsis of the current state of the economy of Trinidad and Tobago. He quoted, I would believe, from the *Review of the Trinidad and Tobago Economy, 2003 and prospects for 2004*, which is a Central Bank document, and I just wanted to quote as well from this document.

In 2003 the Trinidad and Tobago economy continued to register strong growth based largely on development in the energy sector. However, for another year growth in the non-energy sector has languished. This has been largely due to weak economic recovery in the regional economies, limited progress in strengthening links between our onshore and offshore economy, the absence of new sources of export-led growth in the non-oil sector and delays in the implementation of public sector housing programme.

Madam President, I quoted from this particular report because I wanted to make the point. Steven Covey always said that we must try to influence what is within our sphere of influence. Whereas I understand that there would be some negative impact on the Trinidad and Tobago economy because of the weak economic recovery in regional economies, we certainly can do something about strengthening the links between our onshore and offshore economies.

We heard from several speakers on this particular issue when the budget was presented in October of last year. It is widely recognized, according to the Central Bank Report, that an agile support-based, non-energy economy is a precondition for sustainable growth and employment creation. The Minister also mentioned, I think it was on Tuesday, when we were debating the Finance (Supplementation and Variation of Appropriation) (2003) Bill, that, although there was very little growth in the non-energy sector—non-energy sector expanded by about 0.6 per cent—he mentioned however that the distribution grew by 6.9 per cent, transportation grew by about 6.3 per cent and the construction sector by 3.8 per cent, which was lower than the 5.7 per cent growth rate recorded for 2002 and was mainly because of the low expectations—the below expectations—as the Government housing programme proceeded at a little slower pace than anticipated.

Madam President, what I wanted to highlight is, yes, there may have been some growth in subsectors of the non-energy sector, but if you look at these subsectors they are in no way related to stimulating economic activity or in any way stimulating any form of export-driven services for this country. It is in that context that I wanted to put my contribution today, on the measures provided in this particular Bill. You see, Madam President, when we are talking about the non-energy sector and we are talking about the growth in the non-energy sector, we must be very careful to what we are referring as growth because all that seems to happen here in terms of—if you look at those subsectors, it is transportation and the construction subsectors, which again are influenced by the Government, but outside of the Government there is really no private-sector-led initiative to stimulate economic activity, and that is of concern to me.

Madam President, we have heard a considerable amount about the high liquidity situation in Trinidad and Tobago. I was speaking to a senior banking official and one of the things that he mentioned to me is that much of the nation's finances right now, cash, that is, are being moved from long-term deposit instruments into short-term instruments. The reason for that is because several businessmen and individuals in this country are so uncertain about the economic climate, the investment climate and the rising crime that they prefer to hold all their investments in short-term instruments, so that if they need to migrate they would be able to liquidate almost immediately and move on.

Madam President, that, I feel, is of some concern for us in terms of liquidity. So whereas I know the Central Bank has put every effort into and has put its best foot forward in reducing the repo rates, the overnight deposit rates, the reserve requirements, in fact, we have still not seen any form of investment in this economy. We have seen no stimulants for the economic investment. I raised the point on Tuesday when we were talking about investors' confidence that, yes, in the Finance (Supplementation and Variation of Appropriation) (2003) Bill, it was very easy to move \$80 million out of the Ministry of National Security and Rehabilitation, yet there were dilapidated stations throughout Trinidad and Tobago. There were several instances where police officers were forced to abandon their police stations because of the poor conditions of these police stations and, as a result, if it was so easy to move \$80 million out, why was it not possible to provide some temporary, short-term relief in this event?

Madam President, I wanted to talk a little as well about the tax incentives in terms of moving towards a knowledge-based economy. Almost one year has passed since we stood here in October of 2002 and talked about stimulating this knowledge-based economy, and there was some discussion on stimulating what we called the technology-based economy. Sometime ago, there was also a Bill that came before this Parliament that dealt with tax incentives and I made the point that unless the Government comes forward—and yes, I understand that what the Minister is saying is that he has provided for some investment by the removal of the 5 per cent tax on interest, Madam President, I still feel the Government needs to go forward with some package of tax incentives that would stimulate the technology-driven sector of this economy.

We talk about communication, we talk about information and communication technology, the ICT, and I know the minister in charge of public administration has been looking recently at communication and there has been a lot of public relations, but, if we want to stimulate technology in this economy in this country,



we have to get the telecommunication right first. I just want to go back and remind the hon. Members of this Senate. During the '86 to '90 period, during the NAR regime, the Telecommunications Bill came forward. Much time and effort was spent on the Telecommunications Bill. It was about to proceed to Parliament for passage, it did actually, and it was not proclaimed.

Madam President, during the '91 to '95 period under the PNM administration, that particular piece of legislation went nowhere. In '95 to 2001 under the United National Congress, the legislation was updated, modernized and, as such, a Bill came before this Parliament. It was passed, I understand it is yet to be proclaimed, and I am now told that there are reviews being looked at by this current administration for the Telecommunications Bill.

I say this, Madam President, because if you look at what is happening in terms of onshore or what we call near-shore development right now—before we looked at offshore processing, now there is near-shore processing—Trinidad and Tobago is ideally located to take advantage of near-shore processing, but this cannot get off the ground unless you have a competitive telecommunications sector capable of providing a highly reliable and high-quality service to the citizens of this country. So we can talk as much as possible and develop many policies on telecommunications and ICT, nothing is going to go forward unless we address the telecommunications service in Trinidad and Tobago. That is how we are going to be able to have high-speed Internet access, it is how we are going to be able to develop our manufacturing and services sectors to take advantage of the ICT, which is what is required in terms of the global village.

Madam President, I want to bring the attention of the Senate to the revenue streams as indicated in the budget statement of 2003/2004. The Minister of Finance had based his 2003/2004 budget on an oil price of US \$25 per barrel. The price of West Texas intermediate (WTI) is a good proxy for our Trinidad Galeota crude and has averaged almost US \$31.80 for the first months of the fiscal year 2003/2004. Actually, for this month WTI has averaged \$34.33. Bloomberg.com reported just two days ago that it was at \$34.47. Brent has averaged for the last three months at \$31.00. Madam President, we would like to know, with these excess revenues, what has happened with respect to the reserves—the Revenue Stabilization Fund.

In the 2003/2004 budget debate, much was said about gas price and it is still a mystery how the Government calculates its revenue from natural gas. I remember at the conclusion of that particular debate in this Senate, the Minister indicated that he used a budget figure of US \$1.20 per million cubic feet. I would bring to

the attention of this Senate that the price of Henry Hub averaged US \$5.63 per million BTU in 2003 as compared to \$3.33 in 2002. Madam President, last week Henry Hub was at \$6.27 per million BTU. NYMEX Henry Hub was at \$5.81 according to the energy intelligence online. Given the fact that the price of oil is almost US \$6.00 over the price to which the 2003/2004 budget was hinged, what has happened to this excess revenue as regards the Revenue Stabilization Fund?

Ammonia and methanol also had a good year in 2003. Ammonia prices for 2003 averaged \$204 per tonne as compared to \$112 per tonne for 2002. Methanol prices for 2003 averaged \$240 per tonne as compared to \$184 in 2002, and we also know that commodities formed the main pillars of the Trinidad and Tobago economy, because we all are aware that, as the commodity prices go up, the gas prices for the National Gas Company also go up. I would therefore ask, at this point in time, with the Revenue Stabilization Fund legislation, which is supposed to be coming before this Parliament, if the Government intends to amend that legislation to include the price of natural gas.

I also want to remind the Senate that the IMF 2003 Article IV consultation report said, and I quote, that on current trends, proven reserves will be depleted within 10 years—a relatively short period. Furthermore, the future oil price trajectory may be less favourable than currently envisaged, which would further deteriorate fiscal revenue prospects. Therefore, Madam President, from all indications, the economy on paper may be doing well but, again, from all indications, how are we harnessing these excess revenues?

Six months ago when the Government allocated \$431 million or thereabouts to the Revenue Stabilization Fund, it was promised that legislation in terms of the governance of this fund would be coming before this Senate. Madam President, I make the point that it makes no sense for us to be looking at legislation for a Revenue Stabilization Fund when the cycle turns, and this cycle will turn. We are at the peak right now for gas and oil prices and at some point in time it is going to come down. We do not want to be dealing with legislation for the Revenue Stabilization Fund when that cycle has turned because, at that point in time, there will be no windfall, no excess revenues, to place in that fund.

I consider this second boom that we are talking about as a boon, and I say a boon and I repeat this, because, a boon is a blessing and this second blessing we must be very careful about. I quote from the *Business Express* December 24, 2003:

It is the second time since independence that the energy sector has generated the revenue needed to truly develop the social and economic welfare of the

citizens of this country. Energy resources are finite and there might not be a third time. Let's get it right this time and put the energy windfall to good use. Gas boom and not oil boom, which requires the development of our intellectual gas capacity, is what we must consider. The first time around, the money was available because of the available oil price. With a gas boom, we need the necessary intellectual input to ensure that we maximize the monetization process of this depletable natural resource.

In that presentation when we looked at the Revenue Stabilization Fund in July of 2003, I went to great lengths to present several different models from various jurisdictions and to look at their suitability to our environment. I hope I have appealed to the Minister of Finance and we will soon be seeing the legislation for the Revenue Stabilization Fund before this Senate.

Madam President, I turn now to the meaningful linkages between the energy and the non-energy sectors. During the budget debate of 2003/2004, I went to great length to talk about the deepening of the gas sector. For some time we have been considered to be a primary exporter of our natural gas through ammonia and methanol. For some time there has been a lot of debate on the deepening of our gas-based sector and of moving up the value chain. How long will we continue to be hewers of wood and drawers of water? Yet, in light of all of this debate and of the talk of moving down the value chain, we still continue to hear about the Caribbean pipeline.

Madam President, explain to me, I would really love to know from the Minister of Finance, why is this the optimum? How could this be the optimum use of this critical, crucial and depletable natural resource owned by the citizenry of this country? Let us look at the opportunities available to us from downstream development, for example, the ethylene complex, but we hear no focus on this project by the Government. No priority has been placed on this particular project. This project—the opportunities that present themselves in terms of spin-off industries are formidable and we must look at getting the ethylene complex in. Madam President, we must further look at deepening this sector because this is the only way that the skills development and the intellectual capital that we need can spill over to stimulate the other sectors of the economy and that is what I mean, by linking the energy sector to the non-energy sectors.

I just want to let the Government and the Prime Minister of this country know that charity begins at home. We cannot be taking our natural gas and piping it up to the Caribbean, exporting of our natural resource, when it could be better used in deepening our gas-based sector. I know the Minister of Finance indicated on

Tuesday that he would prefer that such issues be dealt with by the Minister of Energy and Energy Industries, but I just wanted to make this point to all Members on that Bench on that side of the Senate, energy is important. Energy is what drives your expenditure. Energy is what will drive the education system of this country. Energy is what will drive the health sector of this country. Energy is what will drive, stimulate and activate the other sectors of this economy. So this is why I say to every member of the Cabinet of Trinidad and Tobago, energy is an issue with which you should become involved and not let it be left only to the Prime Minister of this country and the Minister of Energy and Energy Industries. [Desk thumping]

Madam President, a lot has been said recently about the small producers in yesterday's *Express* and I think the *Express* of January 14, 2004. Due to the high operating costs coupled with the high taxes and royalties companies have to pay to the Government and Petrotrin respectively, it has become virtually impossible for the local onshore sector of the oil industry to survive. The result is that many companies operating in the onshore oil sector have had to downsize their labour force. It is estimated that 50 companies have laid off as much as 45 per cent of their operating staff. Madam President, in yesterday's *Business Express*, the headline was, a crisis looms in South Trinidad. This I find is so unacceptable. A crisis looming in South Trinidad, expected recession in spite of a booming energy sector! How come?

We have heard about the revision of this oil tax regime since I entered this Parliament in October 2002. This was announced in the budget by the United National Congress. The revision of this particular regime was announced on page 25 of the budget of 2001, September 14, a review of the fiscal regime in the energy sector. Madam President, in here the then Minister of Finance addressed the issues of utilizing gas and looking at a review of the SPT and the PPT. A Cabinet-appointed committee was established to review the IMF recommendations for changes in the fiscal policy regime for the energy sector.

Later, when it came up in the October 2002 budget debate, I raised this issue and the Minister of Finance indicated that they were looking at the recommendations of the IMF. Later that year, when it was raised once more, I was told that this current administration decided that they would appoint their own team of consultants to review this particular tax regime. In 2002 they kept saying it would be implemented within that year. In the budget of 2003, the Minister of Finance clearly stated that this particular regime will be in place by January of 2004. When I got the Finance Bill, I looked long and hard to see if I could find

any measures or to see if anything was included in here for this particular regime, given the several calls by the south chamber and several oil producers out of a crisis, for some review of this particular regime.

Madam President, let me just state and remind the Senate that on several occasions the south chamber submitted proposals as to what can be included in that particular tax regime, the legislation, in order to ensure the reactivation of this particular sector. Sometime in December 2002 we had the Finance Bill before this Senate and I indicated that there has been a contraction of the local service sector and existing fields, especially the older fields, you know, because they are becoming more and more mature and that, given these marginal fields requiring advanced technology, hence being highly capital intensive, we would require a review of the fiscal regime, a reform of the oil production regime, in order to look at restimulating oil production for mature fields.

At that point in time, I remember making the recommendation that we could look at a two-tiered fiscal regime. For example, we could look at a base production and, based on that base production, you subject the base production to SPT and PPT and any incremental production to reduce royalties. At least, Madam President, it would have allowed for some reactivation in the Gulf of Paria. If we look at marginal and submarginal producers, in the other place the MP for Couva South, Mr. Kelvin Ramnath, and myself, made the call that with the struggling land production of just 4,674 barrels of oil per day, which is averaging 200 barrels per producer, the Ministers of Finance indicated that the 4 per cent cap that they had removed, they were hoping would have been some incentive for these marginal and submarginal producers, and I made the point that if you look at the economics you will recognize that that 4 per cent cap represented just about eight barrels per day, which is about TT \$44,000 per year.

We are talking about some 3,000 wells in Petrotrin and only 700 have been reactivated through the lease/farm-out operation. At that point in time I made the recommendation, let us look in the short-term at removing the SPT and the PPT and treat these companies under corporation tax. At least we will be able to achieve a 10,000-barrel per day production. We would be able to reactivate service suppliers, drilling companies and possibly an entire economy from the southland. Madam President, I am from the south and this is why I am making this plea. The energy sector is important to the south economy of Trinidad and Tobago and, without it, they will languish and we cannot allow for this crisis to loom over South Trinidad. The Members of Parliament for South Trinidad, I ask them, whether they are PNM or UNC, to join in this call in order to save South Trinidad.

Madam President, we talk so much, and I even heard it from the Minister of Finance once more, about encouraging investment in the energy sector. We keep talking about local participation. The Central Bank Governor advocated the same thing, we need more local participation in the energy sector, but we cannot even get this right. According to yesterday's *Express*, there is no explanation given as to why the Government could not bring this piece of legislation in a timely manner in order to save this part of the economy, the service sector of South Trinidad and Tobago. Madam President, if we cannot even get this right in a timely fashion, then we are wasting time. We are moving ourselves further and further from participating in the energy sector when we cannot even bring a piece of legislation that can address these particular issues.

I would now turn to the issues of transparency. For some time in this Parliament we have been talking about the Extractive Industries Transparency Initiative (EITI), which, in accordance with the agreed principles and actions, Sen. Sahadeo represented Trinidad and Tobago at this particular transparency initiative. Madam President, in accordance with those principles and actions, the Extractive Industries Transparency Initiative, any such transactions and agreements by the Government must be made known public to the citizens of this country.

Two weeks ago, in this very Senate, I raised the issue as a Motion on the Adjournment of this Senate and I raised the question about British Gas and the loss of \$60 million as quoted in a press conference by the Minister of Energy and Energy Industries. Madam President, I raised two important questions at that point in time. Why was there any potential for us to lose \$60 million on that shipment of LNG? The second question that I raised was, who gave the approval—where and by whom was this approval given for our share of the production-sharing contract, the minister's share of the production-sharing contract? Instead, the minister, based on a written script, responded by talking about what is called the Point Fortin LNG Export Limited (PFLE) and their agreement with El Paso.

I am aware of the agreement between PFLE and El Paso, but the citizens of this country need to know why this country must lose \$60 million for a natural resource belonging to the citizens of this country, more important, a depletable natural resource. Secondly, who gave approval for the sale of that share of our production-sharing contract held by BG, the minister's share.

**Sen. D. Montano:** On a point of order. Standing Order 36(3), it is out of order to revive a matter that has already been dealt with.

**Madam President:** That was just occurring to me, actually, that, in fact, once that matter has been aired in the Senate, it cannot be raised again, so please avoid referring.

**Sen. C. Seepersad-Bachan:** Thank you, Madam President. I will abide by your ruling but, Madam President, under the same Extractive Industries Transparency Initiative, I still want to proceed with the issue of Repsol, which has been claiming much attention by the citizens of this country.

Madam President, when I go to the *Guardian* of Tuesday, I note that there were some announcements by the board of directors of Repsol and it said:

“...it seeks to win the bid for the two off-shore blocks offered in latest bid round.”

I am just quoting again. They are looking at increasing their 120,000-barrel-of-oil equivalent per day production level if they are successful in their bid for these two blocks. Madam President, the release also said that the Repsol board confirmed its participation in the development of the University of Trinidad and Tobago and will also launch a new project of social cooperation that will include the donation of ambulances.

What concerned me with this particular announcement is that there was an invitation to bid for these particular offshore blocks. The bidding process closed, I think, about a couple of weeks ago, and, as part of the bid for these production-sharing contracts, these bidders are invited to quote or to offer other services for the country. For example, contribution to the NESC, contribution to the University of the West Indies, the University of Trinidad and Tobago, scholarships, bursaries; this has always been and forms part of the production-sharing contract agreement.

What I find strange is, why is Repsol making these announcements when there is an ongoing evaluation process? The bidding process is finished, the bids have been received and now an evaluation process has started. These have to be evaluated. All of these offers must be evaluated and quantified. Why is Repsol making public announcements on these? Would you not be prejudicing the whole evaluation process? The Ministry of Energy and Energy Industries technocrats will now get involved, and, in looking at all the potential bidders, evaluate and quantify these offers together with the matrix that they would receive in terms of the production share to the minister based on price and based on volume of production. After this has been evaluated, the highest evaluated bidder will be selected. So, Madam President, I raise this question because I found it strange that

what is actually happening is that this particular entity, Repsol, is making public what is in its bid and in fact, what I find strange, I wonder if this will not prejudice the evaluation process that is ongoing right now for these blocks.

Madam President, I also found it strange that in yesterday's *Express* it was stated that British Petroleum applied to the Federal Energy Reserve Commission (FERC), for permission to construct an energy terminal in New Jersey. It is expected that this terminal will supply the pipeline system serving the north-east United States. This facility, as is stated in the release, is expected to come on stream in 2008 long after flow from LNG Train 4. It is clear, therefore, that BP could not be looking at using any LNG from Train 4 to supply this facility. I also state that in the article BP indicated that they may be looking at other sources for this LNG, but it is clear that they are looking at Trinidad and Tobago for their source of energy.

So therefore, obviously to supply this new facility in New Jersey, BP must be looking at Trains 5 and 6. Is it that BP's prospects for LNG Trains 5 and 6 are high? This is a question that I ask. Again, were there any commitments already given for Trains 5 and 6? I bring this back in the context of the Extractive Industries Transparency Initiative in which any such commitments must be made public with the citizens of this country.

Madam President, I now turn to the issue of the Central Tenders Board. Accordingly, the Minister indicated that in terms of expediency and for other reasons, they were amending the Central Tenders Board Ordinance in order to increase the permanent secretary—from \$5,000 to \$500,000 and for consultants from \$25,000 to one million. The Minister also mentioned the central audit committee will be able to make this audit from time to time and to ensure that there is value for money. Listening to him this afternoon, I just wanted to ask the Minister—because whereas we agree that no longer the lowest bidder is important but more the lowest evaluated bidder, and yes we recognize that and we understand the importance of the lowest evaluated bidder—does he recognize the problems that will arise now with opening this up in this particular way?

I say this because when we look at the evaluation process for the lowest evaluated bidder, this can be a very subjective process. What is going to be put in place to ensure that this subjectivity is removed? What is going to be put in place to ensure that this is objective? All that will happen is that you will end up with a lot of—I mean, I do not know any more—accusations of corruption, Madam President, because the central tenders—when you do this—they had a process, they had a system.



Now, Madam President, let me say, I understand the limitations on the Government and the permanent secretaries in carrying out their duties, but when we empower, we have to strengthen accountability, and that is very important and I understand the role of the central audit committee, but the central audit committee will only be auditing after the process. What is being put in place before? For example, in many such systems where we evaluate for the lowest evaluated bidder, you may have processes which require a point system, which require how you quantify all the benefits. There may also be a stipulated requirement that such evaluation criteria and the point system must be made public at the point of the invitation to bid.

Therefore, Madam President, the bidders themselves will be fully aware of the evaluation criteria and the point system to be used. In that way, it is set, and, when the time comes for evaluation, the evaluation process takes on a—it becomes objective. I wanted to know from the Minister, how is this going to be implemented if such a system is to be implemented and why are there not any regulations, or, are there regulations coming before this Senate to regulate this particular process, because this is quite a quantum? Moving from \$5,000 to \$500,000 and \$25,000 to a million is quite a sum and that, Madam President, can lead itself to abuse. In order to prevent that abuse I am suggesting—

**Sen. Enill:** Just a correction, Madam President; it is \$5,000 to \$200,000. The original was \$500,000 but because of some—[*Interruption*] Yes, in the Bill it is \$200,000. The one that came before—

**Sen. King:** The amendments?

**Sen. C. Seepersad-Bachan:** The amendments?

**Sen. Enill:** It is \$200,000, so—

**Sen. Seetahal:** We have the amendments in the Senate?

**Sen. Enill:** Yes. It is \$200,000 not \$500,000.

**Sen. C. Seepersad-Bachan:** Thank you, Madam President. He said it is in the amendment, okay, so, all right, I will take that as it is. Yes, Madam President, but I look forward to hearing what the Minister may have to say on the whole issue of objectivity when it comes to evaluation or determining the lowest evaluated bidder.

Madam President, I wanted to talk a little about the Green Fund because I was surprised when I looked at this particular Green Fund levy. I took the opportunity to pull out the old piece of legislation which is being repealed in that particular

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Act and it is clear that in this piece of legislation there was a provision to allow for proper evaluation of projects and accountability and transparency. More importantly, Madam President, the management of this Green Fund—and I just want to quote from the legislation. There will be:

“...a body corporate to be known as the Green Fund Agency hereinafter called ‘the Agency’ ...

The Board of the Agency...”

In section 68(5) of this old piece of legislation which is being repealed here today:

“The Board of the Agency shall be appointed by the President and shall consist of—

- (a) a Chairman nominated by the Minister;
- (b) three members representing the Environmental Management Authority established under the Environmental Management Authority Act, 2000...
- (c) three members representing labour; and
- (d) three members representing the private sector.”

The duties and functions of this particular board were to determine how eligible the community groups are for the funding that they are requesting. Madam President, the process for determining applications for grants, that is all included in here, et cetera.

I was surprised when I looked at this Finance Bill and noted what was happening in clause 8, that the administration of the Green Fund will be by the Minister of Finance who will disburse moneys from the fund for the purposes certified by the minister with responsibility for the environment. What I see happening here, and I thought this was alarming—and I think on this side we want to register our strong opposition to this particular move, because, what was intended under the original piece of legislation was to have an independent body manage, and an independent body comprising competent persons appointed to determine, assess and evaluate applications for this fund. It is my understanding, and I am sure by now the Minister may be able to give us an update, that this fund has about \$200 million to \$300 million and I am sure it is probably more than that by now. The mere idea that we are putting this back into the political directorate’s hands, one wonders what is going to be happening with this fund. Is this just another avenue through which we will be hearing about CEPEP contracts or political patronage, Madam President? I have a serious problem with this.

Madam President, it was always the intention to remove this fund from any political interference and, as I understand it, sometime in 2000 to 2001, there was a change to even widen the composition of this particular board to include other environmental groups. We understand the need for the linkage between the environmental management agency and the—

**Madam President:** Hon. Senators, the speaking time of the hon. Senator has expired.

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

*Question put and agreed to.*

**3.30 p.m.**

**Sen. C. Seepersad-Bachan:** Madam President, it was always the intention to remove any political interference into the Green Fund and I do not understand why at this point in time we are repealing this piece of legislation. I could understand if we wanted to stand here today and strengthen the piece of legislation to ensure improved accountability and transparency, but it is my humble view that placing this back into the political directorate, into the Minister's hands, the Minister of the Environment and the Minister of Finance, we will be moving all independence and objectivity in terms of the disbursements of funds.

Madam President, I will never understand, because in all of this, the Environmental Management Agency continues to operate and I would really like to know what has happened to the implementation of the water pollution rules. There has been so much arbitrary granting of CECs, the certificates of the environmental clearance, some with an environmental impact assessment (EIA), some without an EIA.

Probably the Minister could give some details with respect to the company that was granted a certificate of environmental clearance, a company by the name of EARTH with respect to the management of the La Guapo landfill in which we know there is the dumping of a hazardous material and oil waste. Was there any EIA? I doubt very much, but probably the Minister or someone on the Government side will be able to tell us. Is there any groundwater monitoring going on at this particular time?

Right now, before the Environmental Management Agency, when one has to drill a well, one has to apply for one's EIA costing almost \$100,000. One has to deposit \$100,000 with the EMA in order to review one's EIA for somebody who

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wants to drill a well next to a well which was damaged, and because the well was damaged, one wants to drill a well next to it as a replacement, but they are asking for an EIA, but any other such projects, they do not ask for an EIA. What has happened to the removal of sand from the Windsor Park—that is next to Brechin Castle—to Point Fortin? Was an EIA done in that particular project?

Right now, there is an issue where there is almost a situation with Petrotrin wanting to drill 75 wells in a place where they have almost 10,000 wells, and the EMA is calling for an EIA which needs a deposit of \$100,000. I cannot understand in a drilled field why they would need an EIA. You see, Madam President, what happens is that we continue to not understand the issues of transparency and objectivity and openness, and this Government needs to pay attention.

I see Sen. The Hon. Sahadeo, the Minister in the Ministry of Finance smiling, but I hope she will be able to add what she is doing in terms of strengthening transparency. I know she has been insisting on state enterprises, but probably she could expand that further into the other sectors and other ministries.

Madam President, if one looks at the Summary of the World Economic Forum, Global Competitive Report, I just wanted to put this on record. The growth competitiveness rank in 2002/2003 for Trinidad and Tobago was 37<sup>th</sup>; in 2003/2004, it is 49<sup>th</sup>. The technology index rank is 42<sup>nd</sup> in 2002/2003; in 2003/2004, we have gone to 47<sup>th</sup>. The public institutions index rank went from 43<sup>rd</sup> to 56<sup>th</sup>. Macroeconomic environmental rank, we have gone from 25<sup>th</sup> to the 47<sup>th</sup> position.

Madam President, I make this point to sum up what I have indicated in my contribution today, because at no point in time with our reducing competitive advantage, our eroding competitive advantage—we need to take some steps to kick start this economy. The non-energy sector, that is. I appeal to the Government to bring the necessary legislation forward in order that they will be able to look at tax incentives for this particular sector.

Madam President, I also want to raise to the Government's attention the importance of transparency, and I say this because I want to remind this honourable Senate of the infamous O'Halloran case in which 50 per cent of BP land assets were purchased for just US \$50,000. This was admitted by Tesoro, that a bribe was actually paid, and this is why it is important for the Prime Minister of this country not to so simply dismiss the more recent case of Repsol and BG. They are serious governance issues that we need to deal with and, more important, we must understand it is how you conduct yourself in public life that is important. We are not a banana republic.

I thank you, Madam President.

**Sen. Prof. Kenneth Ramchand:** Madam President, I thank you for giving me an opportunity to raise questions about two items in the Finance Bill that concern me closely. The first is the Green Fund. It concerns me because it has to do with our natural heritage: the green environment, our landscape, our land.

I applaud the concern implicit in the Green Fund provision, but I have a feeling that it may be necessary to underline and double underline the importance of that; the importance of land. Land is not just a piece of real estate. Do not let anybody bramble you, Madam President, with their short vision or with their imitative dream of developed country status. Which of the so-called developed countries do they want to be like?

A genuine civilization can only grow out of land, and a proper understanding of land. A strong economy can only grow out of land. Land is the natural bond between land and people, the bond which makes a country a country. If land is allowed to crumble, or be degraded; if land is alienated from a people; or if land is developed wantonly into structures of concrete and steel, there can be no civilization. Madam President, as land goes, so go a people.

I was lying in my hammock and I remembered Shakespeare's Macbeth. These things do not just happen so. I remembered a character called McDuff lamenting what was going on in his country. This is part of what he says:

“Each new morn, new widows howl,  
new orphans cry,  
new sorrows strike heaven on the face.”

The pardner he was talking to, a fellow called Malcolm, put in his bit and joined the chorus. He said:

“I think our country sinks beneath the yoke.  
It weeps, it bleeds,  
and each new day, a gash is added to her wounds.”

Madam President, I am sure that what is going on in our country has to do with our disconnection from land. I will have to bore you in a little while. As I remembered these lines—remember I am in the hammock just relaxing—I caught myself swinging agitatedly. The birds went silent, the breeze stopped blowing, Solo, the fellow who works for me, stopped running the lawn mower over the mango root just so that I could mark him present and cuss him. The dog shook his head and quieted down again. In this sinister and profound silence, the poem

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which I am about to read floated into my head. I knew this poem by heart once upon a time, but a little senility or Alzheimer's steps in now and then. Senior moments. I do not remember it, so I will have to read it from the book.

I want to make the point that we have gone very far in the direction of desecrating our land, and that there is a connection between that desecration and the trauma we are experiencing with all the crime and violence and rape and kidnapping. We have to learn again to listen to the land. Although the Green Fund is only one element, I consider it a very important element in that new start that we have to make to find ourselves, our land and our people. The Green Fund is important for more reasons than the hon. Minister of Finance, in his economic philosophy, may dream of.

The poem is by the late Prof. M.G. Smith, distinguished social scientist with a flair for what I call optimistic melancholy. I feel he is a man after my own heart because I am riddled with optimistic melancholy too. *[Interruption]* To be full of melancholy about the way things are, but still you are not lying down and dying. You feel you have to do something about it. The poem is called *This Land*.

**Madam President:** What is the name of the book?

**Sen. Prof. K. Ramchand:** It is an anthology edited by a young fellow—if you ask me his name, I will tell you. West Indian Poetry edited by Kenneth Ramchand with a selection from M.G. Smith. *[Laughter]* It is not my poem. It goes:

“Under this rhythm  
Beats the voice  
No one will notice.

Under this rock  
Is the flame  
No one sends freedom.

Under this island  
Is the land  
No one desires.

But in the time of drought  
Is weeping  
And in the time of harvest  
Is weeping  
And at the funeral  
Is weeping

And in the marriage bed  
Is weeping.

Look O my sun  
Over this island  
Look O my stars  
Into this island.

For it sits upon the doorstep  
And waits  
And there is bleating in the dawn  
And there is bleating in the night  
For it sits upon the doorstep  
And waits.

This land has no centre  
Neither direction  
There is smoke without fire  
Life without movement  
This! Oh my land.”

Madam President, MG Smith wrote this a long time ago, but every time I think about how we are, this poem comes to me. We have to do something about it. I believe that the Green Fund gives us an opportunity to do and think. The land is waiting, people are waiting. So let us now see if the amendments to the Green Fund give the land and the people anything like what we are waiting for.

I want to begin, Madam President, with clause 64 concerning the purpose of the fund. Before I go into it, I want to note with satisfaction that in the existing legislation, Part 14 has a subheading, Environmental Levy, and that has been removed, and in its place we now have Green Fund Levy. I think that is very important.

In environmental discourse, the adjective ‘green’ indicates, to put it simply, activities and projects to maintain the ‘green’ as distinct from ‘brown’ which in environmental discourse refers to the quite separate set of activities dealing with pollution. So, when you talk green, you are talking about the natural environment and preserving, protecting and conserving. When you are talking brown, you are talking about pollution. We are dealing here with the Green Fund which is about green, not about brown.

Clause 64 says that the purpose of the fund is “to financially assist organizations and community groups that are primarily engaged in activities

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related to the remediation, reforestation and conservation of the environment”. When I look at the word ‘remediation’, I have to tell you, Madam President, that the word remediation does not refer to green. The word remediation has to do with brown, and I think that remediation does not have a place in this piece of legislation concerning the Green Fund. Reforestation and conservation of the environment are very much to the point when you come to green.

The first thing is, I would like to remove ‘remediation’ for a number of reasons, including that there is a state agency supported by the Consolidated Fund and its own resources whose main function is to deal with the brown. I do not see why the Green Fund Levy should be applied to brown because the EMA is there. That is what the EMA is there for, to deal with the brown. And the EMA has its own resources and the EMA also operates under a principle that the polluter pays. The polluter pays! We do not need money from the Green Fund to deal with pollution.

The first thing about clause 64 that I am not happy about is the ‘remediation’. The purpose of the fund is “to financially assist organizations and community groups that are primarily engaged in activities...” If one looks at section 14 in the existing legislation, it says “community groups and organizations”. The word ‘organizations’ was governed by the word ‘community’, so it meant community groups and community organizations.

Under the old 14, neither SWMCOL, the EMA nor any other group that was not a community-based group could apply for financial assistance. The reversal of the phrase, the insertion of “organizations and community groups” now lets in the EMA, lets in CEPEP and lets in any fly-by-night organization that wants to apply for money from the Green Fund.

Madam President, I am pleading for a restoration of the previous word order and I would even want to say that we can tighten it up. It should refer to NGOs and CBOs. The term CBO is one that is well understood internationally. It is one that the Ministry of Community Development and Gender Affairs uses quite easily, and I feel that if we said these grants are to be made to NGOs and CBOs, we would be tightening up the legislation and making sure the people who are really doing what we want done have access to the funds.

Now it may be objected that there are organizations that do not have a constitution, that do not have minutes of their proceedings, and so forth. Again, it is pretty standard practice for NGOs and CBOs which have proper standing to act as conduits. They make representations on behalf of other groups and when they get



their money they do some on-funding. That is a piece of jargon I picked up last night. On-funding. They pass the money on to those groups that do not have the ability to access the fund themselves.

I think the Government is very interested in the role of NGOs and CBOs. I think I heard the Minister talking about that and I know that the Ministry of Community Development and Gender Affairs is very concerned about this. In its write-ups about the Community Development Fund, it speaks about strengthening the institutional capacity of NGOs and Community-Based Organizations. I do not think the Government would find it a hard thing to give the NGOs and the CBOs the kind of position in the legislation that I am advocating.

Incidentally, the restriction of the Green Fund to green would meet one of the main objections put forward in 2000 by the Chamber of Commerce writing to the then Minister of Finance, the hon. Brian Kuei Tung. That document was circulated to all parliamentarians and the strongest objection that the Chamber was making was that the Environmental Management Authority Act, 2000 provides for a trust fund to be established and administered in accordance with the provisions of that statute. They said, "In our opinion, we feel that the EMA is the appropriate body to be in charge of the administering of any such fund."

Well, that is because we are not seeing the difference between green and brown, and if we make it clear that the EMA's main responsibility is brown and the Green Fund is green, the objection that this is a duplication falls by the wayside.

The next concern I have about this part of the Finance Bill has to do with the abolishing of the Green Fund Agency. That is signaled in the interpretation. Whereas previously 'board' referred to the board of the agency, board now refers to the Board of Inland Revenue. In one word abolishing the agency.

I want to look at the agency just to refresh Senators about how the agency was supposed to operate and what kinds of situations it was going to prevent. In the existing legislation, the Green Fund Agency has the function, first of all, to manage the Green Fund. In the present legislation, the Green Fund is being managed by the Minister of Finance, disbursements are being made by him, and so forth. As I read the proposed legislation, there is a hope that an in-ministry team will advise the minister responsible for the environment about the day-to-day activities of—

**Sen. Enill:** Just a clarification, Madam President. I heard both Sen. Seepersad-Bachan and Sen. Prof. Ramchand talk about the question of management of this fund by the Minister of Finance. The reason that this is so is because all funds,

warrants are issued and those warrants are what are usually referred to as the disbursement. So, it is the signing of the warrant for the funds that is referred to here.

The responsibility, though, is with the minister with responsibility for the environment. So, it is not Finance managing the day-to-day affairs. It is Finance's responsibility of disbursing the funds by warrant in the same way that it is done for road improvement and URP. I just thought I should make that clear.

**Sen. Prof. K. Ramchand:** Thank you. I do take the point but I am really going on to talk about the in-ministry committee and suggesting that an advisory committee that is not in-ministry might be more transparent and would probably make us all a lot happier.

In the old legislation, the agency was appointed by the President—the President cannot do it on his own; he is told to do it—and shall consist of a chairman nominated by the Minister, three members representing the EMA, which is a good thing because it is telling that himself cannot go and ask money of himself. The EMA cannot come and ask the Green Fund for money. In addition to the three members representing the EMA, there were three members representing labour and three members representing the private sector. I like that arrangement, Madam President, and I would like to add three members from NGOs and CBOs, so that all the parties who are involved would have a say.

In the old legislation, Madam President, the duties and functions of the board are clearly spelt out as having to determine the eligibility of community groups and organizations engaged in activities related to, and so forth. Their function is also to process and determine applications for grant from the fund. Also, to determine the feasibility of undertaking the projects. Also, to advise the Minister on the disbursement of grants, and so forth.

Madam President, I find that that is a very orderly and fair setting down of the way in which the fund should operate. Although I am not calling for the restoration of the agency, I would very much like to see an advisory committee set up with the same kind of membership but adding the NGOs and CBOs and following the same kinds of guidelines. For that reason, I have an amendment circulating which asks that 64 be rewritten.

The purpose of the fund is to make grants to NGOs and other community-based organizations that are primarily engaged in activities related to reforestation and protection, and so forth, and I want to insert a 64(2)(b) calling for an advisory committee with a membership enlarged to include NGOs and CBOs but carrying out

some of the functions and following the procedures that the old agency was supposed to follow.

Madam President, I know there are difficulties about the deadline in getting things through, but I want to register these thoughts in the strongest possible terms and that is why I made the amendment, putting in black and white the concerns that I have and the suggestions that I feel at some point ought to be incorporated to make this Green Fund work properly. Madam President, that is as much as I want to say for now about the Green Fund.

The second item that I wanted to touch upon has to do with Part III, 'corporation tax', which makes specific reference to the incentives to companies wishing to sponsor sporting activities, as well as audio, visual, or video productions reflecting local culture, local education or entertainment. I have a little bone to pick with the Minister. The last time this thing came up, I asked him whether he could please include books and printed matter, and he said he would try to, but I notice he has not done it this time, so I wonder if the hon. Minister could think about that. I would really like to see books or printed matter included.

I want to come to what this piece of legislation implies. In terms of money, and maybe the Minister would clear it up for me, because I have not had time to read the previous legislation, a company may now claim up to \$1 million. Does that mean it spends 66 and claims \$1 million or spends \$1 million and claims a million and a half? The maximum they will receive, Madam President. I wonder if the Minister could just clarify that for me, that the maximum they would receive is a million, therefore, the maximum they would spend is 66?

**Sen. Sahadeo:** That is correct. He offered an explanation of \$666,000 will be what can be expended and they can claim \$1 million.

**Sen. Prof. K. Ramchand:** Thank you very much, Madam President. I just wanted to be sure, but even so, that is a lot of money. We are not told how many companies per year can get the million. So, if 40 companies pass the test, do we have \$40 million to give them? Is there a limit to how much will be spent for the year or disbursed for a year? If a company can claim up to a million dollars in a given year, I want to know—*[Interruption]* No, we are still giving them the money. It is still money we are spending. I want to know if there is a maximum for the whole project for the year. I wonder if the Minister understands my question?

**Sen. Ennil:** What we are really doing is taking a loss in revenue and redistributing it in a particular way. Quite frankly, there is no quantum that we

have determined. What we are seeking to do is develop culture, education and those particular industries in a particular way, and piece of the incentive is that individuals can go to companies, and what we would do is reduce the tax liability for the company on presentation of the certificates and things like that. So basically, it is a tool in which we are seeking to do a couple things. Get the community involved but take that administration away from government in doing those things, because if you do it through Government, it is very inefficient. We are taking a reduction in corporation tax, if you will, by passing a benefit in that particular way.

**Sen. Prof. K. Ramchand:** Madam President, I understand that. Money foregone is money paid out. It is costing us. How much would we lose?

I feel that the willingness to encourage self-expression in the area of sports, education and local culture is a very important and positive thing for the society. I feel that if we are putting out all that money, there needs to be more integration of the effort. We have to have a vision of cultural and educational development to which the moneys being paid out and the projects being approved would relate.

Unless we adumbrate a cultural and educational policy that would serve as a guideline for people applying for the grants, we may well be being very democratic and allowing a wide range of self-expression, but we may not see incremental development in the way we want to see it. The last time this was discussed, I was quite rude about it and said, why should a corporate citizen draw upon my money to fund a project which I feel they may not be competent to decide is in the national interest?

I am the son of somebody who is a director in a company and I want to do something and the company decides it is going to fund me. Who judges it? Now the Minister says that this thing will have to go to the relevant ministry, but I feel I am not even satisfied with that. I feel that the Government, if it is willing to do what it says it wants to do here, should give thought not only to funding particular projects like that, but to how we treat with our artistes, performers and entertainers on the whole, and the time has come for us to do what countries like Australia and Canada have done, and what even the United Kingdom has done.

There is an Arts Council which is responsible for financial support for artistes, educators, entertainers and other cultural performers, including stipends, scholarships, all kinds of things like that. The Arts Council is the overall funding agency which is releasing funds to encourage development along lines that Government has set out. We have a cultural policy and the Arts Council is there to implement it and it cannot simply be projects that “fellas” decide they want to do.

That is not the only one. There are writers, sculptors, painters. Somebody who is working on a big painting and says, "I need six months and I do not want to worry about where the bread is coming from. I just want to lose myself in this painting and I must be able to apply to somebody for that money. I need an Arts Council." While I think this provision is good, I feel I am not happy about the extent to which—

**Sen. Yuille-Williams:** Thank you for giving way. I would wish to allow you to speak for the whole evening, because certainly, you are going to help me in the particular area and some of the concerns you have, we share at the Ministry and we are now trying to work on exactly what you are saying, looking at the registry, looking at who qualifies, looking at the policy so that the same fears that you have will not happen.

I want to give you the assurance. That is why I wish you could continue to talk, and even after now I will continue to talk with you, because probably you will be the one who will be assisting us in doing what we are doing in terms of this. We are also doing the cultural policy at this time, but particularly in this area, we are working.

At the same time, while I am standing here, could I just make one other observation on something you talked about in terms of the, I think it was just a change, literally of organizations and community groups. I am quite sure that just what you said is implied, community-based organizations and NGOs. In fact, if you remember, last year the Rotary Club had that big competition called Tidy T&T. I do not know if you remember that. That was a successful competition which took in the whole of Trinidad and Tobago, and a project like that would certainly qualify. I am sure you will agree with that.

**Sen. Prof. K. Ramchand:** Thank you very much, Madam Minister. Since we have this system, I am just alerting about the kinds of issues. I wonder though, if we could, if the corporate citizens are going to entertain applications and they make their recommendations to the ministries, I think we might try to find a way of balancing their freedom to do things with our wish that they do certain kinds of things.

We might say, if you want a project that really is not in our agenda but which we think is okay, we will match your funding, but if it is one that we want to encourage, we will give you the 150 per cent. Some kind of scale whereby you allow people to express themselves and do things that we would not normally do, because we cannot cover everything. We must have priorities, but if you want to do something that is not a priority, we still wish to encourage you to do it by giving you matching funding.

Madam President, those are some of the concerns that I have about that. I applaud the Government for looking at the Green Fund and looking at the corporation tax and wanting to encourage the kinds of things implicit there, but we really do have to do a lot of thinking about it.

Finally, just in passing, a letter has been circulated by a former President of the Senate concerning the Central Tenders Board, and I read the letter and looked at what he is saying. I am convinced that what he says about the old section 24 is correct. If you read that, you will see that it gives the board the authority to accept a tender which is not the lowest tender for good reason. It says that: "After the offers have been opened, the board or committee shall consider the offers so received and except for good reason, the sufficiency whereof is in the discretion of the board or the committee, shall accept the lowest offer".

"Except for good reason, the sufficiency whereof is in the discretion of the board or the committee". What more freedom can you want than that? It is there. The discretion is there for the board not necessarily to accept the lowest tender. So, I do not see any need to change 24, and I am not at all happy about the phrasing in 24 now, because it says:

"...the discretion of the Board...shall accept the lowest offer which represents the best value."

Actually, in grammar, you have to say accept the offer which represents the best value, because the lowest is prejudicing the case. The offer which represents the best value. If you are going to go with that, I feel we have to delete 'lowest'. *[interruption]* When we have clause 2 which says the board is not bound to accept the lowest or any offer, what do you mean? The board is not bound to accept the lowest offer which represents the best value? What does lowest offer mean in clause 24(2)? If it is read with 24(1) is it the lowest offer which represents the best value? So you are saying the board does not have to accept the lowest offer which represents the best value?

**Madam President:** Senators, I cannot allow that to continue.

**Sen. Prof. K. Ramchand:** Anyway, what I am saying is that the existing 24 is quite satisfactory and this thing about representing the best value introduces a possibly subjective element which could cause confusion, so let us please stick with 24 and I do not mind 24(2) being stated as a kind of double affirmation. Yes, they have the power to reject the financially lowest offer. It is implicit in the existing 24, but I do not mind it being spelt out.

So, just out of idleness, I went on reading the thing and I looked at 26(3), Madam President, where it says:

- “(3) the Board shall publish in the Royal Gazette the name of the person or body to whom the contract is awarded the amount of the tender and the date on which the award was made.”

You know what I would like to see? When they put the winner, they put the other four or five persons who did not get it. As a member of the public, I want to know who else tendered, who did not get and why they did not get. That to me would be transparency. It happens in Mexico.

As I said, just out of idleness I read the thing and I would really like to see when a tender is accepted, the public gets a chance to see who are the other tenderers so that we can make up our minds also and try to understand why X got it rather than Y or Z.

My main purpose was to speak about the Green Fund and the amendments to the corporation tax and to commend the Government for taking an interest in this and to suggest that we still have a lot of thinking to do about how to encourage the right kind of feeling about the land. We also still have a lot of thinking, and many practical things to work out about how we should spend our money on the self-expression of the society. Both the land and the self-expression are vital in this world, which is annihilating differences between countries, which is attempting to annihilate nations which is trying to turn us into automatons in a mechanical global village.

I thank you.

**The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo):** Madam President, my colleague in the Ministry of Finance, Sen. The Hon. Conrad Enill has already outlined the provisions of the Bill before this honourable Senate, and I consider that this needs no further clarification. However, I would like to address certain concerns and issues which have been raised.

Some concern has been expressed about what has been described as a delay in presenting the revision to legislation on the oil and gas taxation regime. The Minister, in his budget speech, acknowledged that the energy sector will continue to be the principal driver of growth in the economy, and this would fuel other segments of the economy.

Madam President, approximately 80 per cent of the petroleum produced in Trinidad and Tobago is produced by companies under the E&P or Exploration and

Production Licences, while the remaining 20 per cent comes from those companies operating under production sharing contracts.

The existing E&P fiscal regime was established when crude oil production was the predominant form of hydrocarbon extraction in Trinidad and Tobago. Changes were made to the petroleum tax legislation in 1992 with the introduction of a sliding scale SPT or supplemental petroleum tax. changes in the method of computing capital allowances claims and an increase in the rate of the petroleum production levy, however, since that time, no material changes have been made in the regime, albeit, emphasis has moved away from oil to natural gas production.

Madam President, the Minister indicated that given the changing international petroleum environment, Government will seek a revision of the existing oil and gas taxation regime. In developing the new regime, focal points include identification of options for a separate fiscal regime for oil and natural gas; development of an institutional framework and systems to better collate and analyze fiscal data from the oil and gas sectors.

We have the preparation and simulation of models for energy revenue projections. We have rationalization of the tax structure for companies engaged in the downstream industries of the energy sector, and this goes on and on. Madam President, this Government is determined to leverage its position in the energy sector to create the conditions for long term development for the people of Trinidad and Tobago and the domestic economy.

In 2003, the contribution of the energy sector was approximately \$21.3 billion out of the gross domestic product of \$67.7 billion. Therefore, we must all recognize the sensitivity of the revenues from the energy sector and any changes thereto must be carefully thought out. This Government remains committed to removing the existing anomalies in the existing taxation regime as it applies to oil and gas and will bring revised legislation to this Parliament in the very near future.

As I speak of taxes, Madam President—

**Sen. Mark:** Just a point of clarification. If you could just repeat for me what sum the energy sector contributes in the overall \$67 billion GDP that you just mentioned?

**Sen. The Hon. C. Sahadeo:** In 2003 the energy sector contributed approximately \$21.3 billion.

**Sen. Mark:** Out of 67?



**Sen. The Hon. C. Sahadeo:** Out of \$67.7 billion. As I speak of taxes, Madam President, my Cabinet colleague indicated a while ago a whole review of the system. We are going to establish a revenue authority. At this point in time, we are also looking at a revision of the lands and buildings taxes as the present regime has very little correlation to the economic values of land and buildings.

I now turn to the issue in respect of this Bill, the introduction of increased discretionary powers where the appropriate accountability systems are not specifically spelt out in the legislation. For example, reference was made to the proposed amendment to the Value Added Tax Act which would empower the President to remit or refund the whole or part of the value added tax on just and equitable grounds, and does not state how it would be administered and accessed.

These concerns relating to the matter of increased discretionary powers revolve around the issue of transparency and accountability in the operation of Government agencies, and they are valid concerns. I wish to reassure this honourable Senate and the citizens of this country that guidelines and procedures will be developed to ensure transparent administration of the provisions of this legislation, and these will be communicated to the national population through the media.

Madam President, this Government is committed to transparency and accountability in all its dealings. We recognize that the economy stands to benefit from improved governance structure. I would also like to refer to concerns raised earlier and have been discussed and presented to the media, the functioning of the Central Audit Committee which resides in the Ministry of Finance.

This committee has recently been expanded and it includes a scope of works which includes the monitoring of the internal operations of state agencies, and I know some concern was raised by Sen. Seepersad-Bachan, but as we grow as a nation and become more developed, we must recognize that there will be increased discretionary powers. What must go hand in hand would be increased governance support structures. In this regard, we have also established improved corporate governance structures. We now have publishing of financial statements of state enterprises and we are also reviewing the publishing of statements of statutory authorities.

We are developing and implementing a code of best practice and standard bylaws for state agencies. The extractive industries and transparency initiative. As we know, we have already discussed this and we are now in the process of putting together and meeting with the various energy sectors. To date, the Ministry of

Finance has met with major players in the energy sector and they have agreed by the end of the first quarter in this year to come back and report on the templates which have been submitted to them and, as we could appreciate during this first period, it will be a testing phase, but we have gotten the cooperation of the energy sector and we will be providing this information to the public in the near future. Also, the South Chamber is having an energy conference this week and a whole segment of the morning of Wednesday next will be committed to the extractive industries initiative.

Madam President, there was also much concern about the Green Fund and, again, we fully appreciate and respect the comments that were made earlier. This topic has been of concern for some time, and I want to assure this honourable Senate that the Green Fund, as stated earlier, is kept outside of the Consolidated Fund. What it means, therefore, is that these funds are not available to the Government for ready spending.

As was asked before, the quantum of the Green Fund is approximately \$240 million, and no moneys have been expended from the Green Fund to date. Operation and administration of the Green Fund is to be made on the basis of the following guidelines: Day-to-day management of activities will fall under the jurisdiction of the Minister with responsibility for the environment, as was said earlier. The new executing agency for the Green Fund will be a unit within the Ministry with responsibility for the same.

The Minister with responsibility for the environment, within four months after the end of the financial year, will be required to submit a report to Parliament on the management of the activities financed by the fund.

Madam President, I now turn to the other issue of savings, or rather, reduction of tax on savings. This Government will continue to implement measures to stimulate savings and investments in order to enhance the growth process. Indeed, national savings are a critical source of investment funds as well as a source of future income.

Compared to many developing countries, Trinidad and Tobago has a well-developed financial system with respect to variety of financial institutions and instruments available to mobilize savings. National savings are critical to the future development of Trinidad and Tobago. As such, our Government will continue to employ measures aimed at increasing the level of savings by influencing the pattern of savings.

Madam President, this Government continues to promote savings and improve the purchasing power of nationals through the following measures:

Existing measures include: income tax was reduced to 30 per cent and 25 per cent from 35 per cent and 28 per cent respectively; tax deduction of \$10,000 for shares purchased in credit unions, re pension funds and annuities, the new measures which have been introduced are basic personal allowance for retirees including nonresidents, and I am sure we all appreciate this, which has been increased from \$30,000 to \$40,000; and removal of 5 per cent tax on interest.

Madam President, we will all agree that this Government is a caring government. We are very cognizant of the concerns, but I think we have taken time to really reassure our friends and the general public of the measures that this Government has implemented and will implement to ensure the success of all the measures indicated in the Finance Bill 2004.

I thank you, Madam President.

**Madam President:** Hon. Senators, this is an appropriate time for us to take the tea break. This Senate is now suspended for tea and we will return at 5.10 p.m.

**4.30 p.m.:** *Sitting suspended.*

**5.10 p.m.:** *Sitting resumed.*

**Sen. Roy Augustus:** Madam President, thank you for giving me an opportunity to make my usually brief intervention on the Bill before us this afternoon.

Madam President, Part III section 5 deals with two issues that are close to my heart: culture and education. In terms of culture, I was speaking with Sen. Prof. Ramchand and I indicated to him that I understood, quite clearly, the kinds of controls he was endeavouring to put into the system here, because it is so very necessary that when we are spending taxpayers' money we must ensure that there is value, especially when we are looking at expenditures that are of such a large nature. We would want to ensure that it fits into the national psyche, the national character. There must be some kind of plan, whether in sport, as he said, education or culture, so that there would not be just a willy-nilly expenditure of money on activities.

I also indicated to him that I have a fear, that if you transfer the entire choice of selecting the activities which should fit legally into this Bill, then we will probably be giving people in authority an opportunity to use bias in sharing of the national cake. I say that, particularly against the background of an incident that happened recently in the culture of this country, some expenditure that I have heard about over the last couple of weeks. In fact, it had been running on the

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ground for some time. Of course, I refer to the support that has been given to a certain area of our cultural art form.

I have no objection to any government expending money on culture and on our indigenous art form, particularly; except that my fears, as I expressed to Sen. Prof. Ramchand about his controls, appear to have taken root even before I heard him. I cannot understand in what context a particular calypso business organization was provided with funding. I am not saying that calypso should not be funded—I want to make it very, very clear—but there must be a context in which this thing happens.

When I look at the history of calypso business in this country, in fact, in the world, entertainment is a multibillion-dollar industry, and if properly managed and exploited, then the people involved in the entertainment industry can generate large profits. In fact, the particular business organization of which I am speaking at the moment, which was the recipient of this handout, quite recently, had been, over the years, one of the more successful business sections in the calypso community. Why the need for this handout? Do we have information that there are other business organizations in the culture receiving such funds? Is there a policy which allows that expenditure, that says we can give to A, B, C, D and E, and not to F, G, or H? Is there some policy that will speak to us that will rationalize that expenditure? If we do not have that policy, it can cause many of us to come to all kinds of conclusions.

It may not be coincidental that that particular calypso business organization houses a number of proponents of the art form who boldly indicate their support for a particular political grouping in this country. You have left us open to draw that kind of conclusion. I was told that this support was not given to “Calypso Revue” but to “Balisier Revue”. [*Desk thumping*] That is the talk on the ground. Why? More than that, when we investigate a little further, we begin to hear that the support was given to ensure that the entertainment hall would have been properly prepared and repaired for the opening of the tent. In other words, the money did not really go to calypso, unless that calypso business organization owns the property.

I always feel when moneys are disbursed to cultural or sporting organizations, there must be a developmental aspect; there must be some sustainability of the value that taxpayers’ money be used for that particular cultural aspect. I am hearing it was used to repair a property that belongs to somebody else. In fact, it is said that it might belong to a cloth merchant; I do not know. One wag told me that maybe there is a plan; maybe you repair the cloth merchant’s building, he uses it

to make a lot of money, and then one of the calypsonians will sing a song to say kidnap him, because he is a cloth merchant; so we prepare him to make money and then kidnap him. I do not know.

These are the things you leave yourself open to, Madam President, when government money, when taxpayers' money—I had better use the term “taxpayers’ money”; I do not like to say government money. I will tell you why I do not like to say government money: In Beverly Hills recently the head of Government indicated, “If I have a piece of land, and somebody squats on it, then I could say whether to leave that person with the land or move the person off the land”. The Prime Minister was alluding to a piece of state land, so he was saying that it was his. That is why I prefer to say “taxpayers’ money”.

Of course, Madam President, you always get things from the leader of that party, the Prime Minister. It may be his land, because I heard him say, recently, that the press has been calling his name in vain. As a five-year-old I learnt that you must not take the name of the Lord Thy God in vain. [*Laughter*] We do not know whether it is God we are dealing with now.

**Sen. Mark:** He is close to that!

**Sen. R. Augustus:** Well, I am beginning to feel that he already is, or he behaves like that. I want to be careful; I want it to be really understood: I am not against the culture receiving money, but it must be done in a particular systematic policy; it must be done properly, otherwise how would you decide to whom you should give? I understand that already there is another group arguing and articulating that there seems to be race involved in the sharing of the money, because “I have a tent too, and I am not being provided for by state funds”. More than that, it shows the fundamental difference between that Government and this government.

We attempted to hand over the reins of carnival to the interest groups, where we would have provided them with assistance to manage their own affairs. One of the key points was that the subventions to the groups would have been reduced in a particular way, giving them an opportunity to develop their managerial and entrepreneurial skills so they would not have to depend continuously on handouts from government. Here, we go back to the old days of “gimme, gimme”.

If we think that \$85,000 has stopped there, I saw an article in a recent newspaper where the manager of another business organization, another tent, has praised the Government loudly, “Even though I did not get, I am praising the Government loudly”. I know my people, “he coming next year”. What are you

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going to tell him? He is coming next year, so he has already stood in line; that is what we have done. So we have taken another business and converted it into a charity organization, because that is what we are going to have from here on in.

**Sen. Mark:** CEPEP! That is the culture of the PNM.

**Sen. R. Augustus:** It is really a CEPEP thing, a URP thing: take some money and use it, because we are making a lot of oil money. We have to teach our people to develop themselves and to use their art form for the benefit, not only of themselves, but also for the entire nation, not give them handouts.

This segues into another problem that I have been observing. I do not understand how this one came up. How could a government that has a history of negative lists, where people were buying “lemon cars” for years, suddenly say, “Free enterprise, no 50 per cent of radio time”? A sudden change. Why? Are there some radio stations that are objecting to it? You have “Balisier Revue”, so you probably have “Radio Balisier” on the 95.5 wavelength. Is that where it is happening? Some people are saying that this “ting” is old. [*Senator Augustus holds up document*] Some people are saying that this “ting” is about 10 years old. The researchers are trying to find the source now so, as usual, they just pull out something, dust out the cupboard and bring it. As soon as I get the source I will tell you; 10 or 15 years old.

In Canada, 35 per cent of airtime is devoted to local content; legislated legally; that is why you have Bill Murray, Celine Dion and so on. That is why the entertainment industry in Canada is so well developed; it has to do with filming also. You have stars, actors and actresses coming to the fore, because they understand the value of exploiting the entertainment industry, a billion-dollar industry. There are people on that side who understand the industry. The radio station 96.1 is part of the thing. Are we protecting them too? They do not play much local content, except for two months in the year.

We have to accede to the requests of our artistes. We have to provide them with that kind of protection, so that they can exploit their talent to the full, and having done so, they achieve profitability using their art form. We must not just give them handouts; we must create the environment. Our legislation must be developmental; it must provide them with the opportunity to move forward, to develop themselves and their art form and to tap into the multibillion-dollar worldwide entertainment industry. We have a lot to gain from it. When we begin to export more of our cultural art forms and the talent that we have, we build our foreign exchange, because we bring the money back in, so we have to give them that opportunity.

My information is that we collected \$7 million in COTT, and \$800,000 remained here. The foreign artistes got the rest; it is a drain. The foreign artistes got the rest. Out of \$7 million collected, \$800,000 remained here for our artistes to share among themselves. Can that be right? Can we get that amount of money on the foreign market, for instance, Canada, Australia or England? No, we cannot, because they protect their artistes; we also have to protect ours. We have to move away from the syndrome.

Sometimes I am ashamed to say that I used to belong to that community years and years ago. One of the statements I always remember that was said by some of the leaders in that community, that always irked me and had me—I am not saying bitter, because I am not given to bitterness—[*Interruption*—was that a good politician gives just enough so that they will always want more, never have them independent. Maybe other people do it, but I am talking about politicians, who are supposed to see about the people they asked to vote for them so they could give them a better quality of life. That is why the Laventille Hills are not developed. That is why the Laventille Hills are exploding now, because they got just enough, but it is no longer enough, so they have found another avenue to explore and exploit, and we are all paying for it. We will all pay for it, while people hide their heads in the sand.

Walking around the communities with a large entourage is not going to help anything, nor offering palliatives. Councillors making requests for roads and being refused, then somebody walks around, a fine white knight in shining armour and gives out a piece of the road that the councillor asked for. I understand that the knight in shining armour is now beginning to look at the question of meeting with the Recording Industry Association of Trinidad and Tobago (RIATT) so he could help them with the problem they have with the broadcast policy. I do not know if he is going to interfere with the particular Minister. I know how much clout that Minister has; he is a very strong minister, but we will look on.

Madam President, while I like the idea contained in Part III section 5, where the Act is amended to ensure that business concerns are rewarded for sponsorship of culture and so on, which, to me, is a step in the right direction, it appears to me that every time these people take one step forward, they take two or three steps back. It will not work if we do not put all the systems in place, inclusive of a policy for the handing out of money. I do not like the handing out of money, particularly to persons who can make money, have the facility to make money and have the talent and art to make money. You dehumanize them when you have them as beggars, which is what they seem to like so much.

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I am happy to see that education is part of this, once educational material, videos and so on are developed. I do agree with Sen. Prof. Ramchand that we have to widen the net as well. It is important that we have reading material, literature and so on. I am very happy to see that. I am unhappy about what is going on in the schools. I am not too sure that the money is being properly spent. I see a lot of public relations; my good friend spoke about this recently. There are a lot of pictures in the newspaper concerning that ministry; plenty money is being spent. In fact, there must be some ample resource in the factory that is generating those ads. *[Laughter]*

**Sen. R. Montano:** Most ample.

**Sen. R. Augustus:** Public relations can probably win the voter, but lose the child. The system is of such now that we have to go in and dirty our hands. We have to go inside with the children, the teachers, the supervisors and the parents; public relations would not help.

I was in the ministry for a few months, and I picked up on a number of things that I had known from the outside, but I saw it first hand from the inside. A number of things would have been done had it not been for a very good friend of mine from Tobago. There are problems that could easily be solved. Unless you solve the problems that exist in the supervisory staff, then nothing will happen. Just as in finance, you have to have accountability, in the delivery of education you must have accountability also. The accounting staff must be a properly organized supervisory staff who can go into the schools, and not be inspectors, but learn what is going on and guide the teachers whether young or old, guide the principals, lead them into the vision that each school must necessarily have if it must be successful.

We have problems in the supervisory staff: we send them out with messages every day. They are better than TPost; they carry mail, big men and women. I keep telling them to stop doing it. They carry mail from school to school, from department to department; calling them to meetings after meetings, after meetings, and not giving them a chance to go into the schools. That is what you have to do with education, not spend money on advertising.

Madam President, since we are talking about money, did you know that a principal promoted to the post of supervisor is promoted to a lesser salary? Are we aware of that? *[Interruption]* That is still operative, because the law to unify the service has not yet been brought to the House of Representatives. They are given a couple thousand dollars in allowances to carry the salary up, so there are people who have retired over the last two or three years as supervisors who got



less gratuity than people who retired as principals, because their substantive salary is used to compute the gratuity and pension, not the allowances. [*Crosstalk*] I could hear all the talk going on out there, but the problem is still there, so we have to correct that.

I am hearing talk about zero tolerance; even my good friend, the head of the union, “Zero tolerance for the children!” Do we have zero tolerance for the teachers too or are we afraid of the Trinidad and Tobago Unified Teachers’ Association (TTUTA)? Are we going to exercise zero tolerance with those classroom practitioners, not teachers, who go in there, when they do go, and spend the whole day doing nothing, the poor children not guided? And then we talk about zero tolerance for children! What are we putting in place to deal with those children who fall through the cracks?

This is a beautiful Bill: spend some nice money to have videos and so on, and people get rebates when they spend some money on videos and so on. Where are the children in all of this? We have a situation developing in the schools where, because we have said zero tolerance, the police, some very, very young people, they have no community spirit, they spot something and “dey gone”, “Heh, down the road!” The courts are now being filled with those children; no second chance. Big people “cuss yuh” on Frederick Street and you pass them straight because “yuh fraid dem”. Zero tolerance with children, a fella use a “lil’ bad word, “Heh, down de road”.

We have got to talk to our adults who are in positions in the schools to understand that zero tolerance does not mean exaggerated use of your big people authority. It means talking with the children, listening to them—that is what I would want to see happening—understanding where they are coming from. We have got to go into the communities and deal with the parents. We have to find a way to revive our community centres for the purpose of developing our young people into mature adults, rather than being used for political purposes, which started in the 1960s. We have got to find a way to develop the parent teachers’ associations once more.

I would even legislate that once you have a child in school “yuh bound” to go to PTA meetings; we have reached that stage. Many a times the parent you want to see does not go to PTA meetings. [*Interruption*] I do not know about dealing with the fathers; it is working both sides. Mothers go, but fathers go too. [*Interruption*] You also have delinquent mothers. We have got to use the human resource. We have a lot of retired people out there who would be willing to help; you have got to find avenues to get them to come in and help; alert retired people.

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I am prepared to offer a couple hours a week, free of charge; I do not want any money. I want to work in the East Dry River area, except there is a representative there who, whenever I turn up down there, he feels that I want his seat. I am not in that “kinda” thing. You know, “mih neighbour’s house bun down”, and I go to look for him, he comes up there making a set of noise, and reports me to the President of the land. I cannot go into the schools because I am no longer working in the system, and it is against TTUTA’s policy for non-teachers to go into a school. It is part of the policy, and I understand it.

I am prepared, if there are avenues that we can legitimately and without obstruction work with the schools, with the principals, even with the parents. I am sure that there are many retired people, not only teachers, but of all different professions who could help. That is where the money should be spent on public relations: to develop programmes, which must be properly advertised, so that people would respond to the call. People want to work, because they are afraid of what our schools are turning out now, so people will come.

Madam President, I feel that it is necessary that we should have a second think about all these advertisements. We should take that money, along with other moneys we may have in the coffers, and channel it in such a way that our supervisors will become happy and comfortable, and it would be an attractive position for principals to be ambitious to become a part of, to reach there. The good principals who can become good supervisors do not want to, because they do not want to carry messages, get a lesser salary and retire with a small pension. Let us bring legislation to Parliament to deal with that.

We have got to find a way to deal with errant teachers. We have got to find a way to get our principals to have a vision for their schools. We have got to find a way to use the retired human resource that we have in this country to assist us in what we have to do in all the school communities out there.

Thank you.

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I rise to make a small intervention at this point. I will try to respond very briefly to Sen. Augustus, who has passed through some of the same areas, as a teacher myself. He was Chairman of the National Carnival Commission (NCC), therefore, I know that he has a feel for both fields, just as I do.

I will give him some assurances on some of the areas he mentioned. He ended on a nice note, where he offered himself as a retiree to help in the communities. I

accept it, Sir. If you look through the budget document, there is a programme called the Retired Experts Partnership Programme run by the Ministry of Community Development and Culture. That programme is doing exactly what you would like to see happen, using the same space you called the community centre. We have these programmes where we recruited retired persons within the community, who have a lot of expertise, to work with the groups in the community in several areas, academic being only one of those areas. We have them in sports, culture and other fields; quite soon you will see the advertisement being published in the newspapers.

Our community development officers were moving around the communities identifying some of these persons. First, we had children from the junior secondary schools who had been out quite early in the day. They had many long idle hours, but in our selection, we were looking at those persons who needed that kind of support which their families were unable to provide. So even though a number of persons applied for the spaces we have, we go through a certain policy document to select the young persons we feel most suited for this programme.

We are going to have about 21 of those centres. You will see the pilot starting very shortly. There is a stipend in it for our retired experts, so you do not have to give your services freely; but if you do we will accept it. Sen. Mark is not here, but as one person who is in this system, I always try to listen to what advice others can give to strengthen something that we have. This is already in the budget statement. We have worked on it, and have already recruited the coordinators, tutors and whatnot. We have already selected some of the centres.

You are going to see the young people doing things that they want to, most will go through an academic programme, but they can also play sports, involve themselves in culture, craft or whatever it is. We are going to have the required people to hold them there for many hours. I thank the Senator for giving me the opportunity to advertise that one programme from the Ministry.

I listened to him talk about supervisors as messengers. That did not happen in the last year with the PNM. Sometimes supervisors do these things on their own as they are going out to their districts. If they go to the ministry and there is something to take to the district they will take whatever it is as they go along. My basic position, at this point, is that the hon. Senator has been there all these years with an administration that proceeded this one, if that was such a burning question that could have been sorted out, we would have loved to know that was done then. But to stand here today and talk as if for the last two years we developed the situation where we have supervisors as messengers, I feel is quite unfair. Even if

something was continuing and you wanted to draw it to a person's attention, I still think that the hon. Senator could have done it in such a way to show what had been happening over the years, and plead with us saying that he had failed to get his administration to change the situation, and he is asking this administration to do it. But do not tell us that this situation just came forth.

I taught for so many years in primary, junior and senior secondary schools and the Teachers' College, and I know what he is talking about. We talked about some of those things as we went along. Even when I was at the Teachers' College and there was something to go out, I would always take it. I do not think that the way you talked about the humiliation of the officers is as bad as you think it is, although there is need for, probably, other types of methods to do certain things. I think we have passed that stage.

I think with the local school boards coming into effect, and giving some kind of funding for them to do certain things within the school, some of what you talked about, in terms of them having to carry messages and so forth—They used to say at that time that they carried parcels, tissues and so forth to the school; all that would be removed, because the local school boards would have a certain amount of autonomy with money to buy some of the basic things.

Finally, we want to talk about the method of subvention and the assistance to cultural organizations. That is a thin line we are really walking, so I do not want to say too much on it. I want to talk about the UNC's policy—sorry to say it that way—when you handed each of the interest groups their subventions for the year. So if an interest group was getting \$3 million or \$4 million formerly, the NCC used to administer that on behalf of the interest group, whether it was pan, mas, or calypso.

During the era of the UNC, it was decided that instead of giving the NCC that money to administer on behalf of the interest groups, you gave all the money to the interest groups, so each of them got an amount of money. When we got in there we saw that policy, but we did not wish to reverse it again, although we saw that in some cases interest groups had large shortfalls.

The Senator said something that was very important; he said, "To teach". Therefore, the problem with the policy was not only in handing the subvention to the interest group, but the group did not have the management capability to handle it, in some cases. Where I think you went wrong was that you needed to strengthen some of the organizations. You cannot just give and turn your back; they were not accustomed to it. Until you strengthen the organizations, what are

you going to do? You are going to continue with huge shortfalls and having to give other organizations financial assistance.

Having recognized this, as a minister, I am working with the organizations. We have now started institutional strengthening with one of those organizations; we are going to do all three. I have started institutional strengthening with one of the organizations. We have brought in an excellent team of consultants that will work with that organization for one year. We use taxpayers' money, helping organizations to put in systems and structures, we assist with financing, training of officers, and looking at management styles and so on. That is what was necessary, and that is what the last administration failed to do. We are going to do it for all the organizations affiliated.

We did not just say, "You cannot spend the money, and we will take it back," we did what we thought we needed to strengthen the organization. We are not only teaching, but also strengthening. We are hoping that at the end of this process with an organization, some of the things you see happening today would not necessarily happen again, because the organization would be much stronger. You just cannot say, "Go and fish," you have got to teach people how to do it. I will tell you, on behalf of the organizations, that they have welcomed that intervention for institutional strengthening. It is not a retrograde step; it is a process of moving forward.

Madam President, usually the ministries handout grants to unsponsored steelbands, single pan and conventional bands; that has been on the books all the time. We usually give it to them through some impersonal mechanism. I felt it necessary this year that we do not just send the cheques to the organizations, and artistes receive the money as a handout. So today we called in those steelbands at the Rhand Credit Union building, and I was able to talk to them. Others spoke to them about what was happening and what we were doing and what we expected of them, touching base with people. This had not been done before, but it was important to do it.

Until the time that people have the strength to do things on their own, we have to continue to facilitate. I know that there is a lot of criticism for assisting organizations at this time, but let me assure you, you do not just stop a process suddenly. I am sorry that today I did not come with a list to show the pattern over the years where cultural organizations were helped, but I will furnish this Parliament with that list; there is nothing new in that. We have to come to the point where we stop the funding, but you have to lead people to get that independence. If you do not do that, what is going to happen? We have to help.

Pan Trinbago used some of the money they saved to build the headquarters you see as you come up the highway; it is an unfinished building. They tried it on their own; it was money they secured from the \$7.5 million, as you would know. They took some \$3.5 million and decided to build the headquarters on their own. They felt very proud that they were doing this from the funding that they had. They had their architects, a contracting firm of engineers and whatnot to build it. They doubled up on the floor space, so what happened? The money was spent, but if you look at it you would see an unfinished headquarters, and the money is finished.

Madam President, what do you expect of the Government now? Look at it. Visitors are coming here; we talk about pan being the only national musical instrument in this century. There is the headquarters. What would you expect of the Government now? Here was an organization that spent money. I am not saying anything about how it was spent, because when we looked through the books that is what it took to build the unfinished facility. There was nothing fraudulent in the way the money was spent, but the building is incomplete. What do you expect of the Government?

As the Minister with the responsibility to assist, we have to complete that building. There is no way, as a minister, that I would not do it. We have sent out persons to look at it. We have gotten a firm to see what needs to be done; how much more is needed to complete the building, and what liabilities there would be on the organization. Therefore, I am going to take a note to the Cabinet concerning it. I cannot turn my back on it because of what happened; I cannot do it. [*Desk thumping*] We have got to help.

If we strengthen persons probably organizations with good intentions would not run into problems like that, but until that time, what do you do as a minister? In this particular case what led you to this. Here was a singer and here was an organization, and for some reason, for convenience, people put them together. What do you expect? Of course, you are the Opposition, so you look for anything and put it together; I know that. But I expected a little more from the last speaker, who actually knows; who, actually, as a former chairman of the National Carnival Commission went out to help cultural organizations.

Concerning the kind of help and “handouts” that you talked about, I do not call them handouts. We are talking about financial assistance; we give it to all cultural organizations, but we are going to do the other side of it: We are going to strengthen the organization to ensure that pattern is not repeated. I am sure when you see the cost of strengthening an organization, I am going to hear another big

hullabaloo in this Parliament, “The Minister is spending so much money for institutional strengthening.” You cannot please everybody, but we are going to do it. We have to do it. I am standing here and telling you that I am going to do it until the time that I cannot. [*Desk thumping*] That is why I was placed here.

Madam President, the Senator talked about us walking about. Yesterday Blue Diamonds Steelband members came into my office and said, “Since Dr. Eric Williams, no Prime Minister has ever come down our way.” [*Desk thumping*] They live on Nelson Street. They said, “The next time you are coming again, let somebody come in; we are Blue Diamonds on Nelson Street.” They gave me their address and said, “Let them pass there; we could get a visit of a Prime Minister too.” It goes both ways: one, they came about their steelband headquarters, because they are at the bottom of a building which is leaking. I am going to work with them to seal it off, because the water is leaking from an air-conditioning unit above, and it is spoiling the pans. They have asked us for help, and I am going to help them.

We need the Blue Diamonds Steelband. This country needs the pan. We need to get those “fellas” beating those drums all the time. I do not care what is said in here, we will do it. On the other hand, when they ask for the Prime Minister to come, they are not going to ask him about that again, because I am finished with it. They just wanted him to come. They just feel good and said, “Let him come and see us down on Nelson Street.” I do not even know the place as yet; I will have to find it. Whenever that visit comes around, I will have to make sure that we pass into Blue Diamonds Steelband yard, because they asked us to come. People feel good. What is the problem with a Prime Minister visiting his communities? [*Desk thumping*] What is the problem? What is the problem? [*Crosstalk*]

That is his decision; that is our decision, and he goes. If he does not go, people would say, “He never comes; parliamentary representatives do not come; the Prime Minister is too big to come to us.” When he goes to the people, you complain that he is going around; it bothers you. Let the Prime Minister walk. I walk with him when I have time. Let him go to the areas; let them tell him; let him get a feel of it himself; he needs to feel it. That is his area; he will walk wherever he wishes to walk in Trinidad and Tobago. [*Desk thumping*]

We have walked in these areas. When we see something in one area, we also recognize that other areas have the same problems. It gives you a fillip to continue the work that you have been doing. I am brave enough to say this, [*Crosstalk*] We walked up Beverly Hills. We came down the hills; we went to Canada. [*Crosstalk*] I am brave enough to raise it in the Parliament. [*Crosstalk*]

**Sen. Mark:** Police were going to mash up the house.

**Sen. The Hon. J. Yuille-Williams:** We saw what was there; we talked a lot in that place. [*Crosstalk*] Regardless of what is said, I compliment the contractor who worked in that area, because he recognized that he had to work with the people. All groups are not the same.

**Sen. Mark:** It was war. The Jamaat was going to unleash war, that is why he went. [*Crosstalk*]

**Madam President:** Please, let the Senator continue.

**Sen. The Hon. J. Yuille-Williams:** He did his job. Some people when they are thin they crack up very quickly; they cannot take the pressure. [*Laughter*] I went into the building. We are going to regularize that building. We have ordered the computers. I am going to show this Senate that whatever you thought it was, you are going to see people going in there to do computer literacy. We already have the computers; we are going to finish it. Those people who live in that building would be able to use it to become literate. A training centre is going to be placed inside that building. That is how you attack problems. How you see things, that is how you work with them.

I am very proud of what this Government is doing at this time. Yes, people make mistakes, but there are times when some of us are not looking beyond what it is, so we look for the little things that are irritants. I think we could defend everything that went on. I will continue to help.

There is a document coming for full employment. Even within the whole area of culture that you are trying to suppress, there are a number of persons who can and will be employed. [*Crosstalk*] You have to look at the other side of it. I looked at the other side of the coin: The number of persons who are out of employment, and the organizations that cannot function.

**Sen. Mark:** You will not support “Massive” Gosine.

**Sen. The Hon. J. Yuille-Williams:** Sometimes it costs you something, but remember that we are the same people who said that there were so many unemployed people, and so much people are not doing. When you try to find the opportunities to get them employed: the corn vendor, the ticket seller, the singer, the everybody, you complain. I am strong. I want to tell you that in this Parliament this afternoon. [*Crosstalk*] I do what I think is correct with the best intentions, and I will continue to do it. [*Desk thumping*]



I will tell you that I walk a thin line. There are some of us here who, for years, identified with certain groups in this country, had the same thought as some of them; fell out of society the same way. Then they stand in this Parliament as if they do not know what caused those people to be there. I always say, instead of advocating what could be done to assist them, they turn around and criticize them. I am not that kind of person.

**Sen. Mark:** The road to hell is paved with good intentions.

**Sen. The Hon. J. Yuille-Williams:** We see what could be done to assist, and we assist people, [*Desk thumping*] regardless of how you think it is. We sometimes go out of our way to find the ways to assist. Sometimes people do not come to you; you go to them.

Madam President, let me give you one last reason why I go to people: The same Disabled People International, we bought a bus for the Rotary Club from the Community Development Fund for disabled people. It so happened that the bus was so much in demand that the same organization had to apply for the bus, because they have a whole number of persons who would wish to travel. They did not ask me to help them with a bus, but we recognized that there was need for a second bus for the organization itself. I told the President to get the specs on the bus that they needed, because they would know exactly what they wanted. He has sent them to me. Through the Community Development Fund, Disabled People International will now have its own bus, which will assist with the transportation. [*Desk thumping*]

They came up with a scheme the other day, in terms of travelling in taxis for those who have wheelchairs, not some of the others, to help solve the transportation problem. They said that they went to certain taxi drivers associations because they recognized that they were left behind by these hired taxis. They came up with a scheme that if a service fee is paid to the taxi driver, in addition to the fare, the taxi would take them. They went around to the taxi drivers associations and they said “yes”. A pilot project is now going to be started to see if it could work.

Together with the National Petroleum Marketing Company Limited (NP), who will be assisting, the service fee voucher could be exchanged into gasoline. They are going to help with the pilot, so instead of paying a taxi driver \$5 or so for the tip, he gets a voucher which he could redeem at NP. We are going to see if that would assist, because all those people are left behind. So as an incentive, the associations and the regular taxis said that they would agree to something like that. It is a pilot; you try something to see what helps.

Madam President, nobody had to tell us to assist. You do things that you think would assist. You might not understand it, but this is a government that cares a lot for people. That is why I could stand here this afternoon to say that our actions are well above board. They were done in the interest of the people, in the interest of the artistes. When I asked Sen. Prof. Ramchand that he give the help, someone said, "Do not help," but he is not that person. We are going to do it. The money for the tax credit has to be accessed.

Every time an artiste or so comes to me I say, "We need your input into it." So I have all those organizations now being part of the process of coming up with ideas of how we are going to have the policy and how to access the tax credit, because we want to give the corporate persons the opportunity to assist. If the corporate persons were able to do it, what I had to do there would not have been done. Later on, when we appreciate what we have, we would not even have to reach that far. Until that time, we are not going to sit back and see cultural organizations flounder and fall away because we have not been able to assist.

**Sen. Mark:** Help all.

**Sen. The Hon. J. Yuille-Williams:** Do not worry; we are helping all. "Massive" is coming in the morning. I close with these few remarks. I want to tell the Senator that we were slightly disappointed, because I know that he understands the culture and the needs. He understands education and its needs. He was one of our better principals that we have had for years, therefore, when he rises, I look forward to his advice and guidance because he knows.

**Sen. Mark:** Joan "yuh good, yuh know".

**Sen. The Hon. J. Yuille-Williams:** He has fallen into a group that does not see the other side. [*Desk thumping*] You have got to rise above that board; Trinidad and Tobago needs your help. [*Crosstalk*]

**Sen. Dana Seetahal:** Madam President, what I understand this Bill before us is really doing is giving effect to all the promises, all the intended changes in the 2003/2004 Budget; that is as simple as it gets. The problem, however, is that the average citizen would not be able to understand, with the best will in the world, what this Bill is saying, and when it becomes an Act, it would mean little. The reason for that is, simply, that there has been no law revision in this country for 24 years.

When I picked up this Bill, and I wanted to look at the first set of changes, the Central Tenders Board, what we are talking about here is a Central Tenders Board Ordinance, which means that that Act was reserved in the last Revisions in 1980,

and has not yet been updated. For instance, I looked at the changes in section 8 and so on, and I asked—right here in this Parliament—for a copy of the Income Tax Act. In one of those sections I saw that it had stopped at “F” or “G”. When I looked at the amendments, they purported to strike out and add a “P” and a “Q”, which meant that there had been amendments, subsequently, and they have not yet been consolidated. In other words, if one wants to understand what this Act is saying, one has to get the Laws of Trinidad and Tobago 1980; one has to get about 23 different amendment Acts in the last 23 years and put them together in order to make sense of this. This is ridiculous and unsatisfactory.

Madam President, in 1980, when the laws were revised and consolidated, we were told that the reserved Acts would soon be passed. They have not been. Most of those omitted Acts have not been. In 1983 we were given updated sheets to fill into our Volumes of laws and in 1986 that happened as well. So you could take one of those black Volumes kept behind the Chair, and you may see amendments up to of 1986. But subsequent to that, life has stood still, and it looks like nothing is happening.

I want to find out: What is the status of the Law Revision Commission? Is it dead? What is it doing? This is really ridiculous. If we are talking about transparency, we are talking about transparency in the widest sense. It must mean transparency in legislation; it must mean that the average citizen, who says, “Hey, let me see what the Government has given me, has provided for me; how it has put into effect provisions to say that my tax bracket will be different, or that I will have a greater percentage of money that I can write off as my personal allowance,” will not have to take this Bill and then look for “P” or something else, and then go back to the laws to find something that makes sense. If you are looking for the change, this Bill makes no sense. Looking at this you will not know what is going on and that is really a problem. In fact, it means that many of us here, unless we spend a week in the library, will not understand what is going on.

### **6.10 p.m.**

So what we do: some of us, including me, is look at the Explanatory Notes and we see some sort of explanation, but we still do not know if, in fact, the amendments really took into account all the other amendments that went before. All these amendments that we have year after year would mean little to the average parliamentarian unless he/she is competent in that field and knows what is going on. In other words, the result is you can talk little about it. This process is preventing effective contribution from Senators. Until and unless the laws are consolidated as in developed countries—we cannot be talking about Vision 2020, and I hope we do not have to wait until 2020 to see a consolidation.

In 1950 and 1980, the laws were consolidated, that is it took 30 years. Now, when we are talking about the Drugs Act or the Offences Against the Person Act one has to go looking for amendments. Judges and lawyers sometimes do not know what is the current law because it is not in the bound volumes. One has to search and scramble and we in Parliament, in fact, only have up to the 1998 bound—grey Volumes—laws—and we have to take those grey volumes and read them with the black ones. That is my first point.

I really find it difficult to follow this Bill in any kind of reasonable, sensible, or logical fashion. If I have to make any contribution, to say there is an error here or there, I do not know. Things could just pass through and I do not know what is going on. That is my major concern with the whole process of law revision in this country. It should happen like in more developed countries as Canada and the United States of America. Maybe we do not have the money for it, but in those countries the volumes are updated every year.

**Sen. D. Montano:** I thank the Senator for giving way. In fact, this falls under my portfolio and I am very pleased to tell you that the process has in fact started and is about quarter of the way through as we speak.

In terms of the Finance Act, we are presently negotiating to have that done separately and if we succeed then that would probably be ready by about September this year, but the rest of the laws will take about two to two and a half years from now no matter what we do. The major problem in trying to finish it is to get the expertise and we are trying to source at least two persons to send to Barbados to attend a six-month drafting course. The department is extremely short staffed and in terms of the public service, one knows what the problems are, and trying to attract someone to do that job at that rate of pay is not as simple as it might otherwise be, but the process is ongoing and we are about a quarter of the way through.

**Sen. D. Seetahal:** Thank you very much, Minister, but the Finance Act that we have, encompasses several Acts. So when you talk about putting the Finance Act together, you are not really conveying the true picture. So you take the Finance Act here, and you amend the Income Tax Act, this Finance Act also amends the Customs Act. The point is to have all of them amended and revised. Insofar as the expertise is concerned, we have laws that are already passed, so it is not a question of drafting so much, but one of bringing them together. I agree that one needs to go to Cave Hill where there is that one-year programme and then you get your Masters and you come back and draft. But when we are talking about revision, you—not drafting—we are talking about laws that are already there. It is to put them together, and there is no reason it cannot be contracted out and it should not take two years.

**Sen. Jeremie:** Thank you for giving way. Madam President, this really falls within the portfolio of the Minister of Legal Affairs but I do know that the work is advanced. There had been two consolidations as the Senator rightly referred to; one in 1950, which are the brown volumes and the black volumes were done in 1980. Since then we have only had the grey books every year, but work is in train to have another consolidation done. Given the volume of work even with the modern software, and the draftsmen are important because they would need to piece through the maze, which is legislation in various areas. They would have to see what was subsidiary legislation made under section 2 and look up the Legal Notice 138 of 1979 and so forth. The work is being done and our estimate is that it is going to take perhaps two years and it is going to cost us a considerable sum of money, but the Government is committed to another consolidation of the law and it would not take 30 years. It took 30 years between the first and the second but we should have it done in two years.

**Sen. D. Seetahal:** Thank you, Attorney General. That means it would have taken 26 years, but not that I want to belabour the point. It is not just the consolidation. I am talking about after 1983, there were those slip-in sheets which were an attempt at consolidation in 1986, I am not sure you are aware of that and that was something with which we could work and that is my point. It should be ongoing. It was the PNM Government that did it in 1986. It stopped and since then it has been sleeping. So my point is that whichever Government there is, we need to get on with the work. Do not just pass laws and leave us wondering what is the law. And there is no defence because ignorance of the law is no excuse.

My next point relates to the Bill, this whole question of the Central Tenders Board. The question of the amount and who is going to vet it, are not my concern. I know little about it and I would not speak about it except to say that I know people who have been on that board and my feedback is that everything takes forever; the whole system is difficult and designed to not function. That is what I understand.

I have not heard anything—I came in late—about what is really going to be done to shake up that board and make it work. We heard people disapproving of fast tracking, we have heard it will take too long and we must go to some other committee and that kind of thing. If something is not working, I believe we should get rid of it and put another in its place. If people do not work, fire them and put somebody else in their place. I think something drastic needs to be done with the Central Tenders Board.

The third point is this road improvement tax, which I recognize in the legislation that the United Independent Petroleum Marketing Company (UNIPET),

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has power to collect because they are one group and National Petroleum is the other. I really want to know about the money. I was looking to see if there was any accounting and I did not find any as to how much money has been collected and how do they spend it. I am asking something as the average citizen, this is not out of my field. I am sure it is somewhere there and somebody may have talked about it.

For instance, some weeks ago, there were people outside a road in Tamana—I know that because I visit there frequently—talking about the area where they had removed the river and the road was supposed to be rebuilt. I pass there every week trying to get to my land and the potholes get bigger.

Sen. Prof. Ramchand was talking about land and how we must put some value to the land. So I go up to this agricultural area to see how the cocoa is going there and try to develop some abandoned land. But to get there the road is so bad because nothing has been done for two years. I am sure I pay a lot of road improvement tax, I spend a lot of money every—

#### PROCEDURAL MOTION

**The Minister of Public Administration and Information (Sen. The Hon. Dr. Lenny Saith):** Madam President, I beg to move that the Senate continue with the sitting until the completion of the debate on this Bill.

*Question put and agreed to.*

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**Sen. D. Seetahal:** I am talking about an example of a road that affects me and I am sure everyone can speak about the roads that affect him or her. It is very selfish of me, but I want to know what is happening to this tax that I pay through the gas that I buy every week. The gas price has gone up and I pay at least \$200 each week. So tell me what is happening. If I want to get that road fixed, why should I have to go to one of the Ministers and ask him to try to fix the road for me or the people there because they need to bring in their produce? I am even tempted to resort to that, Madam President, and I may very well do so if nothing happens, but please, tell me what is happening with the road tax.

Sen. The Hon. Christine Sahadeo talked about the lands and buildings taxes and something is referred to in the legislation about the wear and tear allowance but she mentioned that there is a possibility of it being raised soon.

**Hon. Senator:** Reviewed.

**Sen. D. Seetahal:** Reviewed, which to my mind means raised. When the bank says it is going to review something, it means it is going to raise it.

**Sen. Sahadeo:** I said to reflect economic reality.

**Sen. D. Seetahal:** Interpreting that, it means that you are going to raise the lands and buildings taxes. I have looked at the *Review of the Economy* and it appears that in 2003, \$75.2 million was collected in lands and buildings taxes, in 2002, there was a little more; it is a lot of money. Seeing that we already have to pay a lot of taxes when we now transfer lands—I do not know if you know this, but there is a demand now that you must have a valuation done. It never used to be like that, you would take the valuation that somebody gave, but now I have to spend my money if I am so inclined to buy land and get a valuation, so I am paying a lot of money. I pay a whole heap of money on stamp duty to purchase a piece of land and now I am being threatened with increased lands and buildings taxes. I feel that I better not own anything, I feel I should squat. You know, I will get it free after a while—I do not see the necessity of it. Tell me a real reason, not just that you want to reflect economic realities. I can ask for a salary increase to reflect economic reality, and I can ask for many different things but I am not getting that. So until such time as things can be equally balanced, let us hold that thought.

My final point is with respect to the amendment to the Customs Act and where 45 is amended to include a requirement in respect of armour-plated, or armoured combat vehicles which cannot be imported except with the written permission of the Minister who has the responsibility for national security.

I do not know if you recall, Madam President, but some two years ago we had someone who purported to be a returning resident who was bringing in two vehicles from the United States of America and when they were looked at carefully there were places where a gun could go, and the customs rightly seized those vehicles. They brought a court action which I think subsequently failed. In effect, you were talking about bullet-proofed vehicles and those that could be used in combat, vehicles that were more suitable to some kind of war.

Madam President, I think this is a piece of legislation that has been too long in coming. We have been hearing talk all over about terrorists and terrorism and whether we have terrorists here, which I am of the view that we do and I have already said that—our own local terrorists—I think it is a very important provision and it is about time we had something of the kind.

This is just the tip of the iceberg, but there should be many other measures and I do not mean the Terrorism Act, because that is something like the United States

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legislation—Patriot Act—that they are talking about, but we do not want to go there. I think in terms of controlling this kind of influx of things to Trinidad and Tobago it is a good provision because the next thing you know, they could be sold second-hand and people would be driving these armoured tanks all over the place and committing God knows what kinds of acts. So this is a very useful and viable provision and I think too long in coming.

Thank you very much, Madam President.

**Sen. Robin Montano:** Madam President, my friend and colleague Mr. Winston Dookeran, both in another place and outside this Parliament, has spoken of what he referred to as a parliamentary disconnect. Basically, to paraphrase what he said: He wondered what he was doing as a parliamentarian, because it seemed there was little or no connection between what was taking place in Parliament and what was taking place outside.

I must confess when he said that, I had the same feeling: What am I doing here? Because there seems to be little that is connected in this Senate to what is happening outside. When I listened to the Government Ministers speak today—and week after week, one gets the impression that all is right in the realm; that the kingdom is fine, and the subjects are happy; there is a chicken in every pot; crime is at an all-time low; and whatever problems we have were caused by the bad old days when the UNC was in office. Now that the PNM is in office, everything is fine.

I see that the *Central Bank Report* says that last year we spent US \$380 million to prop up the exchange rate. I do some rough maths with TT \$6.00 to US \$1.00 and that is roughly TT \$2 billion to prop up the foreign exchange. Then I look again and I see that the foreign reserves are approximately \$2.1 billion. In other words, last year we spent approximately half of our reserves propping up the exchange rate.

**Sen. Enill:** There is US \$2 billion in reserve.

**Sen. R. Montano:** I beg your pardon? We have US \$2 billion in reserve? Well, I am delighted to hear that. But, while it helps considerably, it still does not take away the thrust of my argument because \$380 million is approximately 20 per cent of the reserves. So we have spent 20 per cent instead of 50 per cent. I am so sorry. We have spent approximately 20 per cent of our foreign reserves in propping up the exchange rate. If things are so good, why do we have to spend \$380 million?

My friend, Mr. Dookeran, suggested that this was as a result of excess liquidity in the system and the absence of investment projects. It makes sense, but



what also makes sense to me is that many people last year were sending their money out because they did not like the kidnapping that was going on. Today, a businessman told me that recently he needed US \$24,000 and he had to buy at the rate of \$2,000 a day in order to pay, so every day he is buying drafts to pay his legitimate debts outside. Of course, every time you buy a bank draft there is a cost attached to it. So his cost of doing business has gone up and then we come back to the \$380 million being spent. But all is right in the kingdom, everything is fine, we are doing well.

It is said we are going to review the lands and buildings taxes, and when the Minister is pressed as to whether it is going to be raised she says no, we are going to review it to reflect economic reality. They cannot even be straight with the Senate and say they are going to raise the taxes, but that it is going to be reviewed to reflect economic reality. Sophistry!

It is like Minister Joan Yuille-Williams; the other day when she was told that she defended “Cro Cro”, she said that she did not. You know, I have never heard one Government Minister say: “I condemn that sorry excuse for a calypsonian.” I am corrected. I understand that the Minister of Science, Technology and Tertiary Education has condemned him because he is in tertiary education. [*Crosstalk*]

Madam President, with your leave, I am going to pause for one moment and let anybody on that side stand and say unequivocally that I condemn that sorry excuse for a calypsonian. I am pausing for one moment.

[*Sen. R. Montano sits*]

**Madam President:** Sen. Montano, please continue.

**Sen. R. Montano:** As we lawyers say, *res ipsa loquitur*, the thing speaks for itself. Nobody! Madam President, what is serious about that is “Cro Cro”, by himself, is a waste of time. But when the leaders in the society do not say to their supporters that they are out of line, come back in line, it sends a subliminal and clear message: Take them, take them, take them. That is the problem with the sophistry that we are becoming accustomed to day after day, week after week.

I keep saying, if all is right in the kingdom of King Patrick Manning, why am I hearing of so many stories of doom and gloom? Why are so many business people complaining to me about business not being good? Almost every merchant I have spoken to, told me that this Christmas was not as good as the one before, and that one was not as good as the one before that. But we hear we are doing well, “ride ’em cowboy”, we are going great guns, and when you go outside

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there is a different story. You hear it differently, you feel it differently and you ask: Where is the connect? There is a total and complete disconnection and you ask: What are we doing?

Madam President, I sat in the Opposition during the period January 1987 to October 1990 and by 1988/1989, I could feel the country going the same way it is going today and I used to tell the then government as I tell this one that it is becoming disconnected. Week after week, we would get the same story from the then government and any time we complained, we were told then that it was because of what you all did for the last 30 years. I used to tell the government then—because it was the PNM in Opposition—okay, you have won the election, stop electioneering, stop campaigning, it is your responsibility now. Whatever sins the PNM did, it has paid for them. Now rule, because that is what you were put here for.

I have said it to this Government on several occasions when I first stood in this Parliament. I said it, not quite as bluntly as that, but I said it and I am saying it again this evening. You have won the election. It is some 15 or 16 months since the election, two years and a bit since you have been in office. Forget it! Whatever sins the UNC was guilty of, they have paid for them. UNC has lost the election, we are aware of that, that is why we are here and you are there. It is a fact. There is nothing to be ashamed of. That is a fact. They are there and we are here because we sinned; perceived, real, or otherwise, the electorate decided that we sinned. Fine and dandy! Now, you are there. Rule! Deal with the problems in the country today. I am sick and tired of hearing you say: You did this yesterday. So what? If it was wrong yesterday, does that mean you have the right to continue doing the same wrong thing today? No. You only have to look at it to see that it is wrong. That cannot be right.

Madam President, we have to pay attention because the country is going down the wrong road. It is becoming more and more tense, you can feel it, you can see it, and you can almost smell it. Nobody is fooled by Minister Yuille-Williams saying that the Prime Minister just wanted to go walking around and he has the right. Of course, he has the right. Has anybody questioned his right to do that, or the right of any Prime Minister? But nobody is fooled by what took place.

A Prime Minister drops out of a very important international meeting on poverty and the plight of the poor and then all of a sudden goes on these unannounced walks. I know for a fact when Dr. Williams used to do that, it was usually because either there was some problem in the country, or he was having a problem in his Cabinet. I know that because my father used to tell me.

[*Interruption*] A million years ago when dinosaurs roamed the earth. It is a case of what the hero did yesterday the other one will do today. Why is it covered up and there has not been a proper explanation to that?

What is taking place in the country is reflected abroad. In the *Ottawa Citizen*, the only daily newspaper in Canada, Saturday, January 24, 2004, there are three articles about Trinidad's looming terrorist threat and about the Kingmaker. Abu Bakr is quoted boasting about the World Islamic Call Society (WICS) and it says:

“*Washington Times* columnist and President of the Center for Security Policy, Frank J. Gaffney Jr., describes WICS as a ‘well-known and longstanding Libyan-controlled funding vehicle for terrorism.’”

And later on in the article it is reported:

“Bakr was elected to the WICS executive council in 2000...”

#### **6.40 p.m.**

There is another place in the article where Bakr describes himself as the king maker. He says that any government he backs, wins. He says so. I had underlined it. Let me see if I can find it here.

The point of the matter is this: there are serious issues—I attempted to raise them last year and I was not successful—concerning terrorism. No less a person than the acting Commander-in-Chief of the Southern Command US Army, Major General Gary Speir, has labelled the Jamaat al Muslimeen as a terrorist organization.

We are seeing reports about a looming terrorist threat and the reports quote people in the United States, intelligence experts, being concerned with terrorism in Trinidad and Tobago and our LNG facilities. But what do we get? Denials; it is not going to happen; forget it. Not: “Look, we know we have a problem; we are dealing with it.”

I am reminded of what took place in Indonesia, in Bali—was it a year or two ago with the Bali bombings?—where you had a government playing—to use the vernacular—footsie with a similar terrorist Islamic organization, similar to the Jamaat, and soft-peddalling and soft-soaping with them and they would not deal with them. The next thing you know, you had the Bali bombings. Here we have the same thing: a government refusing to deal with a serious threat; refusing to come to terms with the kidnapping; refusing to come to terms with the rise in criminality.

Unreported crimes are now running out of control. I, personally, know of six unreported crimes in the last week. People come to me and say: “I was held up”; “I lost my handbag”; “We were robbed”. Because what is the use? I know of a young girl who, ten days ago, was robbed by the Shoppes of Maraval. I urged her to go to the police; the police took the report and she said: “Well, what are they going to do?” And what have they done? Nothing. The problem, as I said before in other debates, is not more legislation, it is catching the criminals and they are simply not being caught.

We have a problem. The Prime Minister takes a free flight from London to Madrid and back to London, on a private plane paid for by Repsol, the Spanish energy giant. Why? We get an explanation that does not make sense: “Oh well, you see, I had certain meetings to go to.” I know for a fact that there are many commercial flights between London and Madrid, but the commercial flights just could not fit into the meetings. But wait “nuh”, you are Prime Minister of Trinidad and Tobago, not a vagrant. Assuming but not accepting that that was the truth and these meetings were so critically important to the future of Trinidad and Tobago, then are you going to tell me that the Government of Trinidad and Tobago could not afford to charter its own plane for the Prime Minister?

In Canada, Paul Martin who is now the Prime Minister, when he was Finance Minister, took several trips on private planes but on each occasion the Canadian Government paid for them. There was a bit of a scandal on that. But, you see, the problem continues because what happens next, the Prime Minister turns around and says: “Yes, well Repsol paid for it.” And what does Repsol do?

**Sen. Jeremie:** On a point of order. Standing Order 35(1), that is relevance, and 35(2)—if I might just read the Standing Order. 35(2) says:

“Reference shall not be made to any matter on which a judicial decision is pending, in such a way as might, in the opinion of the Chair, prejudice the interests of parties thereto.”

It is my understanding that this matter dealing with the airplane trip, as my friend refers to, has been referred to the Integrity Commission. [*Crosstalk*]

**Sen. Mark:** He is misleading the House.

**Madam President:** I am trying to hear what the Attorney General has to say.

**Sen. Jeremie:** We ought not to be dealing with this matter.

**Madam President:** I am not too sure about that, but I would go on the point of being irrelevant. I will ask the Senator to try and tie it in to what we are dealing with.

**Sen. R. Montano:** I would tie it up for you, Madam President. I am tying it into the Bill because I am tying it into energy. Because you see, it has to deal with energy and it is our energy industry that funds everything. If this is irrelevant, then when Minister Joan Yuille-Williams was talking about the building down the road and fixing it, was that relevant to the Bill? So it is either I am allowed the same latitude or I am not.

What I want to go on to say about Repsol, you see, I started—and it is important for the country to know—to look up Repsol and find out what they are like. The first thing I came across on the Web was a CNN report dated September 21—

**Sen. Jeremie:** On a point of order. Standing Order 35(1)—relevance. The Senator is persisting on the point on which you have ruled. [*Crosstalk*]

**Madam President:** Sen. Mark, could you give me a chance? It is a thin line there because he did say he was going to tie it up with the legislation on the energy sector. So make reference to which part of the Bill you are referring to.

Before you stand, I just want to clarify one thing. Minister Yuille-Williams was replying to matters raised by Sen. Augustus. That is why she was allowed to speak on that—

**Sen. R. Montano:** Madam President, the matter was raised, if I remember, by Minister Sahadeo and in the Bill there is the question—Part IV, page 17:

“The Petroleum Taxes Act is amended by inserting after section 18...”

I am dealing with the question of petroleum taxes and how they are spent and the people looking to do business in Trinidad and Tobago. I am sure that you would not want to be seen to be silencing me on an issue—

**Madam President:** I am not silencing you.

**Sen. R. Montano:** I know you were not; I did not say you were. I said that I am sure you would not want to be seen to be silencing me, especially as we have been all going along so well in this Senate this afternoon.

Can I say this now? As I was saying, on September 21, 2000, CNN reported that:

“Argentina’s Senate was rocked by its second bribery scandal in two months on Thursday when a senator claimed she was offered cash to vote for a law favoring oil firms, adding to evidence of systematic graft.”

The report goes on:

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“Besides adding to pressure for a purge of sleazy politics, the latest scandal threatened to hurt Latin American’s No. 3 economy. Spanish-Argentine oil company Repsol YPF said on Thursday it was considering canceling an \$8 billion investment in Ineloquent province because of the ‘lack of legal guarantees’.”

Now the lack of legal guarantees relate right back to this law that the Senator, Silvia Sapag was opposing that favoured oil companies. CNN went on to say:

“A company spokesman said Repsol YPF had warned Ineloquent Province Gov. Jorge Sobisch that the huge investment could be moved to Bolivia or Trinidad and Tobago instead.”

So I said, all right. Then I looked up the site: Bankrupt.com and I saw under Troubled Company Reporter, Latin America, Friday, September 06, 2002:

“Eliseo Gomez, Repsol-YPF’s country manager for Ecuador, made graft accusations against Ecuador’s judiciary and civil servants.”

But the report goes on:

“...Armando Guerrero, the President of Ecuador’s Supreme Court, slammed Gomez’s accusations and challenged the Repsol executive to put his accusations in writing and back them up with evidence.

Ramiro Larrea, the president of the Commission for the Civic Control of Corruption, also asked Gomez to appear at the commission’s offices Thursday for the same purposes.”

Then what happens? Repsol backs off. And what does Repsol say?

“My words were the consequence of the frustrations that we have had with the bureaucratic obstacles...”

Really? Then do you know what the report says? The report then says:

“...an international consortium that’s building...US \$1.1 billion oil pipeline in the Andean country...”

That is to say, Ecuador, of which Repsol was a member, was losing money.

Interesting, is it not? But I saved the best for last. I looked at “Stock at Stake.” This is a European organization based in Brussels that monitors corporate sector responsibility in Europe. In this report that is dated October 22, 2003 they look at 15 European oil companies—

**Sen. Dr. Saith:** Madam President, on a point of order. I raise the question of relevance and I would ask the Senator a direct question. Is he accusing Repsol of bribing the Prime Minister?

**Sen. R. Montano:** Let me answer you—

**Madam President:** I think that I have reached the point—I have listened to you, Senator—and I have been trying to gather the relevance as far as this Bill is concerned. I have given you some leeway but I do not think I can let you continue. It is not really relevant. Please come back to the matter at hand.

**Sen. R. Montano:** Madam President, I would say this: We do not all enjoy eye-opening experiences. Some of us, indeed, find them intrusive and uncomfortable. With our eyes tightly shut we can see whatever we want to see. Even when they are half open, we can superimpose our expectation onto reality. None of this is possible, though, when life is obliging us to really recognize reality. I have said before, Repsol is relevant to this Bill because we are talking about how the energy moneys are going to be spent; we are talking about a company that is reported as having a lack of transparency; worst in class companies with serious flaws in the field of corporate sector responsibility; several human rights problems in Latin America and a company—

**Sen. Jeremie:** On a point of order. Standing Order 35—relevance, and I should like to remind you of your powers under Standing Order 43, to maintain order in the Senate.

**Madam President:** Sen. Montano, you are actually defying what I asked you to do, that is, to come back to the matter at hand. You are going against my ruling and I am really trying to do this in a very quiet and easy manner this evening.

**Sen. R. Montano:** Madam President, I thought I was obeying your ruling and I thought that I was showing you the relevance. I also must say that I have heard everybody this afternoon talk about all kinds of things and nobody has stopped them, and now when I start putting my finger in the hole, all of a sudden I am being stopped. I must say, Madam President, it is not a nice experience. This is what I was talking about earlier when I was talking about parliamentary disconnect and what I am complaining about is that either we, in this Senate, face reality or we do not. If we do not face reality, the country would do it for us.

**Sen. Jeremie:** On a point of order. The Senator is continuing to disobey the ruling of the Chair. You have powers under 43(5) and I would just like to remind you of your powers. [*Crosstalk*]

**Madam President:** Senators, please. Could I have some order? I do not think Sen. R. Montano is deliberately trying to question my ruling. I would like to think not.

**Sen. R. Montano:** Thank you.

**Madam President:** Good. Please continue on the relevant debate.

**Sen. R. Montano:** Madam President, thank you and you are correct; I am not trying to disobey. In fact, I thought that I was obeying. I thought that I was explaining my position. I thought that what I was doing was telling the Parliament, through you, Madam President, of the dangers that this Parliament is facing and I thought that when I was talking about Repsol's sorry reported record on human rights, that this was important for the Parliament and the country to know. Because here is a company that is bidding right now for work in Trinidad and Tobago, and they have been established here.

My friend, Sen. Seepersad-Bachan, referred to the *Guardian, Business Today*, Tuesday, January 27, talking about the Repsol board holding its meeting here and seeking to win the bid for two offshore blocks, and then the question of the ambulances and all of that. If I were a lawyer for one of the people who are also bidding and I lost the bid and Repsol got it, you know, thanks to that report, there would be judicial review proceedings immediately.

This is what I am trying to do. You see, there is this misunderstanding of government and governance and there is this misunderstanding of the role of Parliament. I said it before in other circumstances, the Executive reports to Parliament. This dog wags that tail. What has been taking place over a long period of time is that the tail has been consistently wagging the dog. That is what happens with party politics. But the way the Constitution is set up, although the Parliament has, in fact, been wagged by its tail for many years, both during the UNC time, the PNM time, the NAR time and during the PNM time before that, the fact of the matter is that the Constitution is set up and the constitutional law is this: We are the dog and the Executive is the tail, so they report to us and they have to get our permission to do things. We are here this evening on this Finance Bill because they need our permission, and that is the point. [*Desk thumping*] They cannot rule without Parliament, although they attempted to do so for 10 months which was totally wrong. But that is another story again.

**Sen. Enill:** Madam President, just a small intervention; I do not need to belabour the point. I just want to advise that the company that the Senator is talking about, Repsol, currently owns 30 per cent of bpTT. So it is not a new entity; it is not a company that we are seeing for the first time.



**Sen. R. Montano:** That is what I said.

**Sen. Enill:** Sorry, I did not hear you.

**Sen. R. Montano:** I thought that I said that. And all the more reason—but you see, the point of the matter is this: I did not know and I am sure a lot of people did not know because nobody was paying attention to them until all of a sudden we had this famous plane ride. Now all of a sudden we start looking and we see that they have serious human rights abuses; we find out that they do not have a code of conduct dealing with corruption and the report—and this is the point here—says:

“As corruption is one of the big issues for this sector, most companies have elaborated good policies and guidelines. It is all the more worrying that Repsol YPF with its significant investments in Latin American countries, does not have such a code of conduct.”

That is my point. Now I keep coming back to it. We are the dog; the Executive is the tail; Parliament is in charge. They need our permission to do things and this is why we must be very careful that we do not give away our rights and we do not become disconnected from the people of Trinidad and Tobago.

To sum up in one sentence what I have been trying to say all evening, with all the interruptions that I have had, is: There is a serious disconnection taking place. The people of Trinidad and Tobago are not happy. Pay attention, because what is happening now in the country is very similar to 1988/1989. The same things are happening. The tension is rising. There is a disconnect. Everything seems to be breaking down—the education system, everything. Things are not what they were.

With those words, Madam President, I thank you. [*Desk thumping*]

**The Minister of Legal Affairs (Sen. The Hon. Danny Montano):** Madam President, before I get into what I want to talk about, I just want to say that I have the good fortune that when I speak in the Parliament, I speak not only with a background in law, but I also speak with a background in finance and business and, therefore, I do not rise to speak about things about which I have no knowledge, as others before me have spoken about things about which they have very little knowledge.

We heard some discussion about the exchange rate and the support mechanism by the Central Bank for the exchange rate, and it was being said that somehow there was a weakness in the system because the Central Bank had to support the market with a supply of foreign exchange. What it did, in fact, was it

sold to the marketplace foreign exchange that it had received from the Government, because the Central Bank is the Government's banker and the Government had received the foreign exchange from foreign companies operating here in the form of royalties, dividends and that sort of thing.

What Senators must understand is that the mechanism is a normal process that happens in every country in the world. It is not peculiar to Trinidad and Tobago and it is certainly perfectly normal when we have an economy like ours where one-third of the GDP is from the petrochemical sector that earns a tremendous amount of foreign exchange. What happens as a result of that is that these foreign companies pay their taxes and their royalties and so on, in foreign currency to the Government and it does not necessarily flow into the commercial system as it is and, therefore, a major supply of foreign exchange does not get into the marketplace. What happens is that the Central Bank simply supplies the marketplace with the shortfall.

In other words, if the private sector has a shortfall in its trading activities, what it does, it simply goes to the Central Bank and says: "Would you sell me some of your foreign exchange?" It is as simple as that. If, in fact, we did not have that mechanism of the Central Bank as we now have it, that foreign exchange would be in the hands of the commercial banks and then we would not be doing this at all. You would not even be aware of it. But the way that our financial system is set up, the Central Bank is there to govern these processes and with good reason. One of the strengths of our economy is the fact that we have a very strong, powerful and independent Central Bank. This is something that a lot of the countries in Latin America did not have and during the oil shock of the early and mid-1980s, they suffered from that because they did not have a strong and independent Central Bank.

So that is one of the strengths and attributes of our system. Therefore, to simply say that somehow—what was the expression that was used?

**Sen. Dr. Saith:** We spent the money.

**Sen. The Hon. D. Montano:** "We spent all of the money" and "that something is wrong in the land", or whatever it is, is just idle nonsense; it is just a total misunderstanding of what the facts are, because the facts are not so at all.

One of the reasons that during the year 2003 the Central Bank had to intervene maybe a little more than in previous years, can be explained by a number of different factors. During the year 2003, what we have all seen and benefited from, was a fairly significant drop in interest rates. You now find that the difference in

the spread between, say, the United States, Canada and here, is not as great as it was two, three, four, five years ago, when the average lending rate here was, say 16½ per cent and now it is down to about 9 or 10 per cent. So it has fallen tremendously.

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

The result is that the investment opportunities for liquid cash are no longer the same because the rates that you now get on your deposits are that much less also and, therefore, it is normal in a free market environment that money is looking for a home. It is looking to see where it could find a better return. There is nothing unusual or sinister about that. It happens everywhere. It has happened to the United States where, in order to stabilize their economy, they have dropped their rates of interest to such a low rate that their foreign exchange rate has fallen dramatically in the year 2003, because money has left the country, looking for a home elsewhere. It does not necessarily mean that their economy is in any grave difficulty. That is the same situation here.

If it were, some of the base indicators that we have would be showing something completely different. The figures that we have indicate that unemployment is down. What we know from the Government's books and records is that the collection of tax revenues is up, which means that companies are more profitable than they were in previous years, which means at least outside there the private sector is doing better. If the private sector is doing better it means that they are spending more; if they are spending more, it means that more people are finding jobs, able to buy homes, to look after their children, and what not.

**7.10 p.m.**

As you know, the stock market is booming. The opportunities for investment in the stock market are extremely good. Last year, the average increase in the market was close to 60 per cent and this year, it is projected that it would be at least 20 per cent. There are some very simple indicators that all is well in the kingdom, if you want to do it that way.

We have a problem with crime, but I use the word "we". It is not only the Government that has a problem with crime. It is all of us. It is the duty of all Members of Parliament to form solutions. I spoke about this a couple of days ago. When the Opposition was in government they drafted legislation to help us deal with the police service and management thereof, and they failed to bring it to Parliament and indicated that they would not support it, even though we have laid it in Parliament. In fact, they are part of the problem in terms of dealing with crime. Two nights ago, I heard an Independent Senator saying, using different

language, effectively what I am going to say now, that you do not have to fix the whole thing. If you can fix a little piece of it, fix it and go one step at a time. You do not have to draw a map to fix the whole thing because you would wait years before you have a solution. You can start to fix one problem at a time. We do not have to wait to completely redo the entire Constitution, before we fix the police service. [*Desk thumping*] To think otherwise is reckless and a complete dereliction of one's duty to the people of Trinidad and Tobago.

Something else was said about terrorism. I am not going to get into this because I do not need to. The threat of using terrorism and tankers as a bomb has been clearly dismissed by the authorities of the United States. It presents no credible threat to the United States and we have to leave it just where it is. The authorities will deal with situations as and when they arise. I have every confidence in that.

We heard about the tail wagging the dog and the dog wagging the tail. When one hears expressions like those from an attorney, one has to wonder whether there is any understanding of constitutional law and how the Constitution works. The type and structure of government that we have, has worked all over the world for hundreds of years. It works today. It has been proven over and over to be a satisfactory form of government. Is it the best? Well, I do not know. I have never lived under any other form of government. I have lived in Canada and the United Kingdom and their forms of government were more or less the same. I have never lived in the United States. We see much of it on television and how their government works, but our system of government seems to work and has worked well since 1962. The reality is that the system of government is such that there is a government in place that has the majority of the vote of the population, and in terms of the seats in the country, has the majority of parliamentary representatives. While we are committed to accounting to Parliament, the fact remains that the structure is such that the majority rules. I make no apology for that. It is a fact.

When I was in Opposition, the majority ruled then, and they did exactly the same thing. There is no tail and there is no dog in this place. It is merely a question of the form of government. No alternative has been suggested. The reality is that I do not think that anybody here should form any part of the anatomy of any dog. I certainly feel that it is totally inappropriate to refer to Parliament as being part of the anatomy of any animal.

Mr. Vice-President, I want to remind you about what was happening. I remember in 1995, when the UNC took government, they sat and very arrogantly, pounded on the desks and said over and over again, "We are here until 2015", as

if it is was their God-given right to be here. We said nothing and accepted all the hubris and arrogance and noted it. In six years, through parliamentary means we got rid of them. Now they find themselves sitting on that Bench, they do not like the view and feel that they are powerless. They were there once before; they have gone back; they do not like it and they realize that they cannot see it in the future.

Thank you.

**Sen. Mark:** On a point of order, 35(1), relevance.

**Sen. Parvatee Anmolsingh-Mahabir:** Mr. Vice-President, I rise to make my contribution on the Finance Bill. Several Senators have already voiced their concerns with regard to a few troubling aspects of this Bill. I share some of their views and add my voice to their concerns.

There is an area which must be brought to the attention of hon. Senators of this august Chamber. First of all, I must commend the Minister in the Ministry of Finance on his foresight in amending the Income Tax Act, section 18, in Part II of this Bill. In this section the Government has increased the personal allowance of resident and non-resident individuals who have attained the age of 60 years from TT \$30,000 to \$40,000 in determining their chargeable income. This can act as a policy directive across the board, that the Government is sending a positive signal to individuals to make a sacrifice to save and invest via any of the financial institutions, in order to reap the benefits of becoming more financially independent of the State, later on during their retirement period.

I must also commend the Minister on the tax incentives given to companies within the petroleum sector that sponsor art, culture, sports and audio/visual productions. I now look forward in particular to the formulation of cultural policies which would be well thought out and all embracing. I may intervene here and ask the Minister with all due respect, whether “Massive” Gosine would get some sort of assistance for his tent

The area in which I wish to make my contribution is in Part VIII of the Bill which deals with health surcharge. This section deals with increasing the rates of interest on health surcharge from 15 to 20 per cent, payable by employers for failure to remit it on time. For 20 years, the working public has been paying hundreds of millions of dollars every year, filling the covers of the various governments, since the inception of this health surcharge in 1984. Yet, there has been no major improvement in the delivery of medical services to the citizens of our country. We continue to hear about problems our citizens face daily, when they have to go to the hospitals for any sort of medical attention. There are shortages of nurses, doctors, pharmacists, dietitians and

*Finance Bill*  
[SEN. ANMOLSINGH-MAHABIR]

*Thursday, January 29, 2004*

technicians among many others. We hear of shortages of medicine; ambulances without life-saving equipment; millions of dollars of equipment being left idle because of lack of repair or maintenance and various units are closed in the hospitals. Mr. Vice-President, through you, I ask the Minister: What is happening with the funds collected under the health surcharge? How is this fund utilized?

I have made an in-depth study of the funds collected from the health surcharge from its inception in 1984 to 2003. I am sure that the public would like to know what has happened to the moneys collected. If you indulge me, I would quote the figures from the *Review of The Economy*, from 1984 to 2003. I would enumerate the year of the report and the amount of money recorded as being collected under the health surcharge from the citizens of Trinidad and Tobago. They are as follows:

| Year | \$ millions |
|------|-------------|
| 1984 | 63.9        |
| 1985 | 106.7       |
| 1986 | 96.9        |
| 1987 | 108.7       |
| 1988 | 92.8        |
| 1989 | 92.1        |
| 1990 | 92.1        |
| 1991 | 96.1        |
| 1992 | 85.4        |
| 1993 | 104.6       |
| 1994 | 98.2        |
| 1995 | 106.4       |
| 1996 | 131.4       |
| 1997 | 127.6       |
| 1998 | 116.4       |
| 1999 | 122.8       |
| 2000 | 149.1       |
| 2001 | 151.5       |
| 2002 | 137.4       |
| 2003 | 132.0       |

This gives the grand total of TT two billion, two hundred and twenty-one point one million. This is the recorded sums of funds collected under the health surcharge. What has the public received in return? A health service delivery that is almost in shambles!

When the health surcharge was introduced, the public expected to receive improved health services because the funds were to be utilized for this purpose. The sum of over \$100 million is being collected annually from this health surcharge. There must be some accountability to the public as to how this money is being spent, especially since the Ministry of Health also receives allocation from the national budget. The public needs answers. We want to hear them answered tonight. [*Desk thumping*]

Thank you.

**Sen. Sadiq Baksh:** Mr. Vice-President, I join the debate on a Bill to amend the Central Tenders Board Ordinance, the Income Tax Act and all the other matters incidental thereto. I am sure that when the Minister brought the amendments to this Senate, he had all good intentions in the world, in terms of all the measures taken that would add to the improvement of the quality of life of the citizens of Trinidad and Tobago. I have no doubt that in seeking to do that, he would have provided all the explanations necessary for us to comprehend it in the proper manner.

The reality on the ground in this country is much different. When I heard the Minister of Legal Affairs with the responsibility for consumer affairs try to give us a lesson in finance, then I realized that if the guru of finance ever became the Minister of Finance in Trinidad and Tobago and would be happy to spend US \$380 million to support the exchange rate, then, God help us. I cannot imagine that the guru of finance would do such a thing.

With all the good intentions in the world, if we did not have the opportunity to go outside this Chamber and listened to the Members on the other side, we would believe that everything is hunky dory in Trinidad and Tobago. They really believe that unemployment is down, "yuh know". Ten thousand people went home from Caroni (1975) Limited and they did not create one new sustainable job for the last two years. They sent home 517 employees at BWee and many other employees lost their jobs during the last two years, and they really believe that unemployment is down. We are in trouble in Trinidad and Tobago. They just do not seem to get it right! They come here and tell us all sorts of nancy stories and really expect us to believe them.

I did not plan to speak this evening, but I have been moved to speak because of the inaccuracies and pictures that they would like to paint. We are dealing with

matters of the collection of money for the Road Improvement Fund from the petroleum dealers. In Trinidad and Tobago, we collect about \$50 million at the pump for the Road Improvement Fund. A law was passed in 1994 that stipulated that the Government of Trinidad and Tobago must report to Parliament every six months on the activities of that fund. After two years, that lawless Government has not brought one report to this Parliament, as if everything is right in this country. That is the law of Trinidad and Tobago.

**Sen. Dr. Saith:** On a point of clarification. Could the Senator tell me when he was a Minister, how often he reported to Parliament? Never!

**Sen. S. Baksh:** We reported at all the stipulated times in the Parliament of Trinidad and Tobago. The point is that after two years they have not realized that they are in government. After two years of being the Government of Trinidad and Tobago, they do not really believe that they are in charge. They are responsible for bringing the report of the Road Improvement Fund every six months. I am telling the country that they are breaking the law because they did not bring one report to Parliament. Lawless Government!

I have no reason—if their teacher is Abu Bakr, what do you expect? I told the Parliament that the biggest test of this Government would be how they deal with Abu Bakr. After two years they have not realized what they are playing with. In addition to that, money for licences for motor vehicles are collected at the pump. That is another \$50 million. The transport industry provides at least \$100 million with \$50 million dedicated for road improvement. Mr. Vice-President, today, are you satisfied that the roads are better than two years ago? If the answer to that is yes, then we do not need the report from the Road Improvement Fund. However, if the answer is no—every time a steel belted tyre hits a pothole, people ask: “What about ‘meh’ Road Improvement Fund?” Never mind reaching the estates on the secondary roads. It is unbelievable that this Government that came to govern Trinidad and Tobago on the grounds of morality and spirituality continues to break the law. That is why they do not see any problem in taking a free ride on a plane from Spain to England. None at all! Lawless!

There is a situation with the Green Fund. I have never heard of any minister being responsible for the day-to-day operations of any fund or department. They are responsible for policy formulation, implementation and giving general directions. Never the day-to-day activities! I cannot understand that! That is lawlessness! I am telling you that it is illegal under the Constitution of Trinidad and Tobago for any minister to be responsible for the day-to-day operation of any fund.



**Sen. Dumas:** Just a question. I am trying to understand. I thought I just heard the Senator said that a Minister was responsible for the Road Improvement Fund and then in the next sentence, no minister was responsible for the administration of any fund.

**Sen. S. Baksh:** Responsible for reporting to Parliament.

**Sen. Mark:** Stretch, listen.

**Sen. S. Baksh:** “Yuh stretching it a lil too far.” [*Laughter*] I could understand the rationale for having the minister responsible for the day-to-day administration because it would only be a CEPEP issue. I see the Green Fund being channelled in a manner that would allow it to be used willy-nilly, at the whims and fancies to satisfy the requirements of party supporters and nothing would be improved in the environment. The present administration does not have a track record for improving the environment.

It is unbelievable for us to talk about reforestation in a method like that. I recommend to the Government that every citizen that harvests a tree from State lands should plant two. You cannot harvest today and not plant for tomorrow. That is a basic philosophy. It is simple to do reforestation in Trinidad and Tobago if every person who wins a bid to reap or harvest our teak or forestry plants two. Simple like that. That is a UNC policy that I suggest to the Minister of Public Utilities and the Environment, to ensure a sustainable industry in the future and also to take care of reforestation and the environment. We are the keepers of the environment. We do not own it. It is incumbent on us to leave our environment better than we met it. My father left the environment better than he met it. I am not sure that I can do the same because of the state in which we are. We are not educating our people and providing incentives for them to take care of the environment and preserve it for future generations. We owe it to them.

I recommend to this administration to try to get it right; come to reality and know that everything in Trinidad and Tobago is not okay.

Thank you.

**Sen. Bro. Noble S. A. Khan:** Mr. Vice-President, thank you for allowing me these few moments to share my thoughts on the Finance Bill. We had supported some of the initiatives that were brought with the budget. This mechanism before us gives legal backing to those. Overall, I think that the past two budgets were basic ones that rested on programmes that reached the social inputs, as far as the economic sectors were concerned. What is before us has highlighted certain areas such as taxation, the Green Fund levy, customs duty, health surcharge and value added tax.

In the area of culture the point was made earlier and I would like to pay tribute to some Senators who have contributed to the debate, particularly Sen. Roy Augustus who has made substantial contributions as an educator and in the area of culture. I pay tribute to the Minister of Community Development and Culture who has always supported that and has made substantial contributions in the area of education. I also pay tribute to the Minister of Education for the attempts that she is making. It is not that I would not pay tribute to any other person. On the other hand, it may be to everyone on the other side and on this side too.

With respect to art and culture, I hold the view that it forms the bedrock upon which a civilization rests. Given the widest term for the expression of culture, it would be all encompassing and deal with all facets of ourselves. What is before us has been narrowed to the wider spectrum of the arts and other activities that are soul elevating and add substantially, to healthy leisure and stand a good chance of making inputs in the national economy. I think that this is the first time we are having the specifics that identify with the inflow and are directed towards cultural activities. I know the practitioners of culture such as the non-governmental organizations and the community-based organizations have been making attempts for some time. Today, to see an element of fruition with respect to those representations, gives me an element of satisfaction.

With respect to art and culture and how the shift would go, I know the actual mechanism would take place through the system before. It is important to ensure that the mechanisms reach the end to which they were really meant, after the Senate and the other place have agreed on them. We have had some expression with respect to that from the Minister of Community Development and Culture and one hopes that this will come to some element of success as far as fruition is concerned. We have heard specifically in the area of pan and "mas". Some remarks were made with respect to calypso. I am speaking about the body ensuring the continuity, development and sustained development in these areas. We know that what has been referred to as the Trinidad and Tobago style of Carnival has been exported from our shores. A previous Senator made mention of the quantum of money that has left our shores. It is substantial. One cannot think in any term of regret as far as that is concerned because it is part of the free trade system. It is part of the interaction and culture is alive and organic. When the interplay takes place, one would expect that some funds would come to our shores.

Over a period of time, the share in many areas is not what we can feel proud about as far as equity is concerned. In the area of graphic arts and painting, I

always felt that patronage was lacking or non-existent. I know that we are in a favourable economic situation and very often we might hear about standards by which countries are judged in their civilization and sophistication. One is the state of the art. This has come out of North America. There is only one artist in the Caribbean who is recognized and he is from Cuba. People from the North have had quite a lead from us in their concept of art. If we are to use that yardstick, and we are prone to use standards from the North, one could think of the state we are in. I do not hold that there, but only used it against the background of what takes place. I feel that art is part of our creative aspect; there is no comparison, and it exists. This is what a person is capable of and has produced and everyone has the freedom of preference. Perhaps, in the government buildings over which we have direct control, the private companies can commission work and use them as value. One would think that with what is taking place in the wider spectrum of the economy, art plays a very important part.

We know that pan is music but it is not well-known that during the turn of the last century, Indian music had an influence. I know from the tradition in our family that the sitar was played very early in Laventille Hills. There is need to support continuity of these instruments which are universal. There is need to support not only the pan and skin drum, but also other manifestations in the art of music, if we are to pay recognition to our diversity and allow for the development of people.

When I spoke during the budget debate, I do remember that Sen. Dr. McKenzie had expressed hope about that and I had endorsed that statement. As we see these areas of the art taking shape, we hope that our aspirations would materialize. Those of us in the area of culture will get that support and give it to the emergence of a form that would work towards self-development. Make no mistake about that, if we do not do it, being organic, it would die. Pathology would set in, others would be displaced and we know what would be the end result. We are under heavy stress coming from the North and what obtains on television and the Internet.

With respect to income tax, one would think that the mechanisms in place yield the sums. It has always been the question of how the distribution would take place. The Minister of Community Development and Culture has given us some indication of how the mechanisms will work. With respect to the non-governmental organizations and the community-based organizations, as our country moves forward, the world is moving forward in the areas of cooperation, collaboration and partnership. I hope that we would make good use of what is

available. We have heard about institutional strengthening. With these things in place we should make positive strides.

I turn to the Green Fund levy. This touches a very important part. I think Sen. Prof. Ramchand covered it well and the other contributions that were made about it. I would like to touch on how we would deal with the funds that come in. We have heard that it would be similar to the long-term funds which were established. When one looks at the historic background of long-term funds, it seems as though there is a big vacuum in parliamentary authority. My humble view is that when the long-term funds were first perceived in 1959 or thereabout, they were for replacement to ensure that when certain capital equipment had served its time, there would have been sufficient funding for replacement. In the '70s, a host of funds was established with specifics. We could look at all the money coming in from the angle of a house with compartments and if you move them, you would see the light covering the whole area.

Against that background the concept of the Consolidated Fund was established many years ago. We have heard Sen. Anmolsingh-Mahabir making mention of the health surcharge which has been around for quite some time. Although there is specific identification that money is collected for a particular purpose, one gets the feeling that the fund went directly into the Consolidated Fund and it is passing through the mechanisms of funding to the Ministry of Health. Perhaps, we might get a better explanation when the Minister in the Ministry of Finance gives his reply. He gave an example that the control of it would rest with the Ministry of Finance and a direction through a warrant to the Comptroller of Accounts, authorizing the release of certain funds and the agency that would carry out the work, maybe under or outside a ministry that the expenditure would take place and there would be some pattern of reporting.

There is a strong correlation with the emergence of these funds to when there is plenty money which we are on the brink of, or possibly are, at the moment. The whole concept of what is before us as a financial system which has been around since 1959 has served its purpose. We have heard the term "value for money". Even in the Ministry of Finance there would be mechanisms for the audit committee to overview structures. It brings to mind the bedrock of the financial system, that is, the Auditor General's Department and the extent to which the resources are given to it. The work and the Auditor General are not under direct control of Parliament. This forms a hedge for ensuring what has been referred to as independents in the execution of their work. The Judiciary also has that feature. The staff of the audit department should be given funding. Their responsibility is to the Parliament.

I would take it that the audit committee is a sort of management mechanism and is a constitutional matter that is enshrined and ensures our accounting and reporting. Our priority lies in this area of accountability. I know that the Minister in the Ministry of Finance has expressed his concern and I take it that the Minister of Finance would also express his concern in the areas of accountability, transparency, fair play, honesty and openness, that we think about as far as governance is concerned. That mechanism is not the best for accountability. There was an element of flexibility in the long-term funds. The whole basis of value for money is a managerial matter. How do you organize your resources?

If we were to look at the budget by some simple ratio, as money paid with respect to personal expenditure for wages and salaries, in relation to the other areas of goods and services, we would see that the ratio is not geared to deliver anything. I suspect that the mechanism of the financial system which is highly legalistic is not geared with those elements. How would we bring that system on line? The concepts have been around for more than 40 years, but they seem to be highly elusive. We know that it is a question of five years here and then move, so in five years we have to show. We try to make the best of what is before us and in trying to make the best, you find the emergence of what is taking place.

The long-term funds as a replacement for capital expenditure are now being used as a mechanism for funding a system that is supposed to have a strong element of deliverables. Instead of going outward, the question of collaboration, participation and cooperation, you get the feeling that because of the financial system we are doing the converse of that. We are going on a centripetal thing; we are spinning towards the centre. That may be good if you want to centralize. The Constitution is geared like that. If the system is that we should bring it outwards to have participation, we would see an enigma in this area. We would have a system that is not geared to what we really desire with delivery. All this is not unknown to outside. We must not fool ourselves. Those who might be taking a lick on the lollipop know that they might be there for two licks and somebody might be waiting to push them off to take their lick. The result of that would be—some call it—second-class citizen or third-class citizen.

In some systems that we operate, although they might be temporal, there is the iron law of oligarchy. When we get into positions, we hold there, although we may use the democratic process. That might be part of what we are all about. This is questionable. As we think in terms of the Green Fund, it seems to me to play on a pun that we have no fun of it.

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I would touch on what I think we should give high priority. Not too long ago we had some gory pictures of turtles on the newspapers. It was legal to do that.

**Mr. Vice-President:** Hon. Senators, it is 8 o'clock and we shall take a break to be refreshed. The Senate would be suspended for 40 minutes. We would come back at 8.40 p.m.

**8.00 p.m.:** *Sitting suspended.*

**8.38 p.m.:** *Sitting resumed.*

[MADAM PRESIDENT *in the Chair*]

**Sen. Bro. N. Khan:** Madam President, indeed this is a most pleasant change. [*Laughter*] When we took the break, I was making some comments with respect to the Green Fund, and the mechanism as we saw it for having some element of control. To my mind, one of the weaknesses of the long-term fund—I would not like to impute any improper motive, but on the other hand, I think, historically, we have had good ministers of finance over time and we were well managed. I have the utmost confidence that we will continue in that tradition. But, as in so many other things, the question of accountability and transparency, which are of high priority today, even when we look outside our own borders, and having the tradition as we have, we should continue in that line.

It would seem to me that while, for practical purposes, it might be difficult to revise our total financial system with just one stroke of the pen, despite the fact that we have been having the same thing over and over for 40-plus years and it has occupied the change over that period, it has been elusive. But in the meantime one could think in terms of establishing mechanisms within the framework we are in, to ensure some form of transparency; some form of participation; some form of feeling of that belonging, which I think is so necessary and which has been and continues to be absent. This could possibly be the reason we are in the situation in which we are today—I am speaking about the negative side. Obviously, this Senate forms a very important part in the feeling of that belonging. Madam President, the forms we could think of in bringing to bear, as we go through the implementation of the Green Fund and its operations, is to consider: some form of recall and some form of the mechanism with which we are going about. Obviously, if we could have some airing within these hallowed walls here and possibly in the other place, of the way we are going about this, this is what we hope to achieve. We are dealing with some of the most sensitive parts of ourselves—our natural resources.

Today we are in a fortunate position with respect to gas and oil, or so we feel. But how fortunate might be relative to how much more fortunate our partners are in this matrix, but that being what it is, we could think in terms of possibly ensuring the necessity of this Green Fund in the care of what we have. For quite some time it has been recognized on the international scene—that is the care for the environment—and it is mentioned in all parts of the world now, it forms part of the natural tapestry when we think in terms of advancement. This Green Fund has a strong input in that, among others, when one thinks in terms of national parks, protection of flora and fauna, and all these other elements when we think about the environment. Importantly, therefore, is the care for it and the mechanisms of how we hope to achieve the care and to ensure its sustenance.

I have also made the point in the past—and you will continue to hear it, Madam President, because I firmly believe it—that the environment does not really belong to us; nobody owns it. It comes from the Creator for us who are here, and it would continue by the grace of God through the children who would come from us, and others who would join themselves at a later time. There is definitely a need for some responsibility to them as far as what the resources are. These resources have come to us and obviously we should use them in a way that would ensure the sustainability and its use. Money and the mechanism of finance is one of the chief reasons for ensuring the continuity as far as development is concerned. Again, I appeal that we consider the putting aside—and not put aside as we have done in the long-term funds, where we had put aside funds in the long term under the illusion that we could draw them again. If we were to look at that experience, it was on putting aside to allow—if we want to be charitable—an element of flexibility in the spending of those funds. But as the knot tightened, we saw the reversion of those funds going back into the Consolidated Fund, through the financial mechanisms, and then they went out again. At the end of the day we had, what had been referred to as our brothers from the north, making derogatory remarks: What about the question of diarrhoeal effects? But, obviously, we would not like to get into any constipated effects as far as the development is concerned. So there is need for some form of happy medium as far as the mechanisms that we would be establishing. Again, I appeal as far as that is concerned, with the use of the Consolidated Fund and the mechanisms.

Madam President, mention was already made about the way the Unemployment Levy Fund operated. We have also heard about the Road Fund. Our colleague, Sen. Mahabir mentioned about the health surcharge. These are examples of how things could go, and how they ought not to go from the perspective you are looking at it, which hand you hold, and how you feel when

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you touch the elephant. Those are some of the things that come to my mind as far as that is concerned.

When we think in terms of the Customs Act and the area of sensitivity that it impacts upon, we touch on something that is important with respect to this question of vehicles and how we should go about it. I guess as we go about our way the question of new things would emerge, that is part of the dynamism, that is part of change, that is part of living, and these elements will continue to arise. But one should be aware of things that have gone in the past and how we should deal with them. The commitment to peace, harmony and good living is enshrined in our Constitution and, obviously, the opposite of those are some things that we should abhor. Within recent times we have examples of these negatives, which would permeate our land and even other lands too.

I make reference to—what has been referred to—this new phenomenon that is facing us as a spectre that strides the earth, the question of terrorism at national and international levels. How much at national level? Some would say the 1990 affair that invaded these hallowed walls is one and that preceded 9/11. I must remind everyone that when that occurred the IRO—I was the president at the time—strongly condemned it, and any sort of activity that could be termed as terrorism. Immediately following, the Muslim Coordinated Council that comprises the Trinidad Muslim League, the Tackveyatul Islamic Association and the Anjuman Sunnat-UI-Jamat, did issue at national and international levels, the condemnation of that act which took place on 9/11. It also condemned terrorist activities as what has been adduced and has formed part of the international scenario too. The MCC still holds that view. I know, as have been quoted from newspapers here, that references have been made to the international Islamic bodies, but as far as I know the organizations that I have mentioned, do not belong to any of those bodies. As I have mentioned before, the MCC still holds the view and condemns any terrorist activities or means of violence, or any means of acting other than within the framework of our Constitution in following its legitimate day-to-day affairs.

I think it is important that I mention this because we have been hearing much talk, even within the Senate here and also other areas. This is the chief reason I have taken this opportunity, under this Customs Act that we are dealing with, where obviously we could link these types of vehicles if they were—This is not speaking in a vacuum because, again, there is allegation that arms came into our country sometimes in the past. I do not know the extent to which they were able to evade the Customs Department, or if they even passed through Customs. I do not know. One would think that such actions as what took place in 1990 would



have been the subject of some enquiry or investigation so that the nation could be informed. Those things have not been done and there remains a big question mark even within our nation.

I do not know at what stage, but I do take this opportunity—because I think I can understand what is before us—to share within these hallowed walls how I feel about it. It has happened on the international scene and even here sometimes that people of my tradition have been referred to—to put it mildly—in very pejorative terms. But, again, I strongly state that the Muslim community, and my understanding of Islam, has no part in any form of terrorist activity, participation or hope to introduce anything as a mechanism for change, or to seek any benefit within our community of Trinidad and Tobago.

These are some of the thoughts I have to share. I would like to, quickly, recap as far as some of the income laws, which I see as giving face to the whole question of how we would shift moneys from one area—when we look at the whole matrix of the country—to push it into the area of culture, art, music and sport, as the case may be.

Again, let me express my gratitude to you, Madam President, for allowing me to share these moments. Let me end by saying that I have great hope for what this budget hopes to achieve, and you would find strong cooperation within my community, and many of the non-governmental organizations (NGOs) and community-based organizations (CDOs).

May God bless our nation.

**Sen. Dr. Jennifer Kernahan:** Madam President, thank you for allowing me to participate in this very important debate this evening. We have just witnessed in this honourable Senate a classic case of PNM arrogance, when the Minister of Legal Affairs rose and attacked my colleague, Sen. Robin Montano. He said that people stand in this Senate and speak of what they know not, and that he, the hon. Minister, is an expert in finance and so on. Madam President, this is very contradictory because our criminal justice system is based on the jury system whereby 12 men and women are called before a judge to adjudicate in complex legal matters, sometimes upon which the life of a man may hang. These people have no special training in law, but they are assumed to be logical, intelligent human beings who could adjudicate upon these matters after having them properly explained. So we do not have to be experts in any particular field, Madam President, to stand here and make a logical, sensible contribution to any debate in the Senate. I believe we do the job that we are put here to do, and we do it very well.

Madam President, I hope the hon. Minister has enough skill and knowledge of his job that the Prime Minister sees it fit to keep him in his present position, and not move him again for, maybe, the fourth time in two years.

We are seeing, in this country, that people are coming to the slow but painful realization that this Government is at the end of its tether with respect to providing any moral, social, political or even economic leadership or direction to this country. When I look at the Finance Bill before us today, in its ills of omission and commission, it is very obvious to me when I see that—one of the main plans for national development in this country, one of the key components that we have to deal with if we have to talk seriously with national and economic development in this country—the women of this country have not been identified in the budget in any serious way and, therefore, not identified or targeted in this Bill in any serious way. That is one of the serious ills of omission that I see in this Finance Bill before us today. I will try to elaborate on that a little later, Madam President.

My colleague, Sen. Seepersad-Bachan was very articulate when she elaborated on the levels of inefficiency, incompetence, shortsightedness, negligence and unmitigated arrogance, especially with respect to her field of competence, which is the oil sector. The qualities that have characterized the PNM for the past 40 years are also very apparent in other spheres of our national lives, especially when one looks at the relationship between the Executive and other independent bodies in our country.

The outrage that has been provoked by all freedom-loving nationals of this country has been well documented. This outrage has reached the level where we have headlines such as the one in the *Express* of January 25, 2004 on page 11, headlined:

“Williams would be ashamed of today's PNM”

This is the level to which this Government has reached.

When I look at this Bill, notwithstanding clauses 4, 5 and 6, I am convinced that as this regime has converted itself into a virtual leech that drains and poisons the body politics of this country, by actively promoting social and economic policies that are negative and counter-productive to what the Minister of Finance has articulated in this Bill, as his goal to promote the national economy through incentives for savings, development and production. All the social and economic policies, which are presented by other Ministers, go in direct contradiction to the stated goal of this document.

We are witnessing a brain drain, a virtual flight of some of the best minds and the best young people in this country. Madam President, regardless of tax rebates, tax exceptions on interest earned, of million dollar grants to promote education and culture, and so on, nobody who has a choice, is prepared to stay in Trinidad and Tobago and face a social climate where kidnapping—Only real patriots of this country are prepared to stay; diehard patriots who are actually prepared to die here.

A lot of people are not prepared to stay in a country where kidnapping, as an alternative law-enforcement mechanism is promoted and this Patrick Manning regime has given it almost tacit support by its silence. Madam President, we have a situation where 47 per cent of emigrants of this country, who are leaving in droves every day, are products of the tertiary education system. I would, therefore, like the social scientists among us to step forward and tell us what are the social implications for savings, for generating income, for production in this country over the next 20 years if our best minds are leaving this country.

Madam President, even more startling is the fact that we see 47 per cent of tertiary graduates leaving, and under this PNM Government they have managed to get only 8 per cent of our graduates into tertiary education. So we are suffering a serious brain drain and none of these measures are going to benefit anyone here. There is no point in having money in the bank when you have a fear of being kidnapped, and there is no point in saving to invest in this country. Sen. Seepersad-Bachan told us that serious banking figures have expressed that people are keeping their moneys in short-term deposits, ready to jump at any time, because dead men do not spend money; dead men do not save; dead men do not invest; dead men do not generate productive employment. This is the naked truth.

Madam President, what is happening in this country is that the PNM has thrown in the towel. There is a full-fledged admission on the part of the Prime Minister that this Government has failed to deliver good governance and transparency because he was forced to resort to the age-old tactics used by his mentor, Dr. Eric Williams, of pounding the pavements, touring depressed areas. [*Crosstalk*] By that he is confessing that he has lost control of his Cabinet and the Government so he has to do everything for himself.

Madam President, there is an article in the newspapers which says that the Government—

**Sen. Yuille-Williams:** Madam President, could the Senator give way? I would like to make one point. The hon. Senator has just said that the Prime

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Minister has lost control of the Cabinet and he is out there by himself. Let me tell the Senator that every time the Prime Minister goes on tours of these areas he has half of the Cabinet with him. Probably the Senator does not see, but I would like to let her know that we accompany the hon. Prime Minister.

**Sen. Dr. J. Kernahan:** The Prime Minister has been quoted as saying that he intends to travel all over the depressed areas throughout the country to deal with the issues facing the people, and he said that it is an attempt to help to reduce crime.

Madam President, it is obvious in clause 9 of this Bill, under the Customs Act, Chap. 78:01, section 45(1), which has been amended to prohibit the importation of armour-plated and armoured combat vehicles and so on. We can see the link between what is happening in the Bill, at least, and what is happening on the ground. This Government has come to a screeching, splitting halt. He is admitting that his Ministers are not functioning, that he has to go out there to liaise with the people to find out what they need, and to beg his former cohorts to reduce the crime situation in the country. What is the Minister of National Security and Rehabilitation doing, if the Prime Minister has to go out there and ask people to reduce crime? I am not making up this story, Madam President.

Madam President, I am not making up this story because there is a report in the *Express* dated Wednesday, January 14, 2004, headlined:

“Cabinet split over Jamaat”

If these articles were not without merit, the PNM would have repudiated them. I have not seen any repudiation. It says:

“The MANNING administration has become increasingly divided on how to deal with the Jamaat-al-Muslimeen and other splinter factions, with at least five ministers objecting to what they say is Government’s ‘pandering to the will of dangerous groups’.

Community Development Minister Joan Yuille-Williams was appointed Manning’s liaison with Bakr while Social Development Minister Mustapha Abdul-Hamid and Labour Minister Lawrence Achong were made...”—  
[*Interruption*] [*Laughter*]

[*Sen. Yuille-Williams rises*]

[*Sen. Dr. Kernahan keeps standing*]

**Madam President:** Sen. Dr. Kernahan.

**Sen. Yuille-Williams:** Madam President, I was feeling a little sorry for Sen. Dr. Kernahan that is why I kept my seat. After all, sometimes you wonder what is happening and you allow people to run. But the hon. Prime Minister denied what was written in that newspaper. I am also saying that is not true. He defended that on Saturday. *[Interruption]* Please, I am just saying that the statement you just quoted was denied by the hon. Prime Minister. I do not know the relevance of it, but you cannot go running after things like that. I just had to let you know. I will have to be a little more efficient this evening and listen, very closely, to what the hon. Senator is saying so I can rise often. *[Laughter]*

**Sen. Dr. J. Kernahan:** Madam President, I beg your protection to make my contribution on this Bill. *[Laughter]*

I was saying that:

“Clause 9 of the Bill seeks to amend section 45 of the Customs Act, Chap. 78:01...amended to prohibit the importation of armoured, armour-plated, and armoured combat vehicles, except with the written permission of the Minister to whom responsibility for national security is assigned.”

I am saying that in this context it is clear that the Government is concerned that there is a national security issue in this country; that there are terrorists in this country, and people with whom they actually have to legislate against with respect to importations of certain combat vehicles and so on. I do not want a combat vehicle! I do not know if any of my colleagues here would need combat vehicles! It is only certain types of people in this society who need combat vehicles.

The article goes on to say:

“Both Bakr and Abdullah were leaders of an abortive 1990 coup attempt against the government of the then prime minister ANR Robinson.”

This is the most important part of this article that we in the UNC have maintained throughout, and which is the crux of the matter. I quote:

“But Manning, sources said, has been concerned that any move against the Jamaat would lead to confrontation and jeopardise the PNM's chance of returning to power.”

Madam President, this is the crux of the matter. This regime, on one hand, is obviously legislating against terrorism, and on the other hand is pussyfooting and executing strategic interventions with respect to the work of terrorist organizations in this country because they want to retain power.

I just want to assure the Senate that the people are not fools and they understand what this Government is doing. There is an article in the *Express* of January, 2004 where it was reported on some of the walkabouts of the PNM that:

“However, by the end of the two-hour tour many residents said they were not satisfied with the Prime Minister’s response and they were no way closer to getting any form of positive action.”

This was the tour of Enterprise Village, Chaguanas.

**9.10 p.m.**

This is not the 1960s, this is not the 1950s, the “masa politics” are over and the “doctor politics” are over. There are intelligent, questioning persons in this country who have grown up since 40 years of independence, and it is no longer easy to fool the people with so-called quick-fix solutions.

Madam President, the hon. Minister brought certain measures, for example, clauses 5 and 6 which would provide that the Minister of Education and the Minister of Culture could issue certificates for audio-visual and video productions for educational purposes that promote or reflect local entertainment or culture respectively and so forth. Clause 6 amends the Corporation Tax Act so that petroleum companies can enter into sponsorship of the arts, culture, sports and audio-visual productions.

Madam President, I would assume that this is geared towards the promotion of art, culture, education of the young people of this country because of the state of the country, because of the violence amongst young persons, in schools all over this country—a national phenomena from Rio Claro to Point Fortin, San Fernando, Siparia, Chaguanas, Port of Spain.

Our children feel a deep sense of frustration and are disillusioned. They are totally bereft of any sort of political leadership that would give them hope that they have a future in this country. Madam President, it is extremely difficult, at least for me—I do not know why it is so difficult for the Minister of Education to connect the dots between the crime, the psyche of disillusionment, disappointment and anger that are rampant in this society, and what is happening in the schools.

Madam President, other persons have connected the dots and have made the connection. For example, in the *Express* newspaper of December 29, 2003 at page 9, Independent Senator, Prof. Kenneth Ramchand said—he was talking basically about the re-location of the Parliament. He said the attempt “was part of the lawlessness which now pervades the society.”

“If the Cabinet could do what they like then individuals could do what they like. So this is not just a simple matter of Cabinet doing something. This is setting the example to the country at large that might is right and if you have the power to do it and get away with it then you can do it.

Ramchand said that message has been transmitted to ‘the schools, the streets, the communities. That is why we’re having all these shootings and killings; people are doing what they like because the lawmakers who are supposed to have respect for the law are doing what they like.

He said the Government has failed to recognise what their responsibilities and what were the consequences of their actions. “Their pride, arrogance, conceit and ignorance are making this country a very hard place to live in.”

Sen. Prof. Ramchand is clearly connecting the dots, and I am hoping that the Minister of Education would do similarly and recognize that violence in the schools, notwithstanding clause 5, regardless of the educational materials, the expensive videos that might be produced under such a plan, it would not go away by itself, it cannot be conjured away, it cannot be prayed away and it would not disappear after Carnival or after exams. In fact, a *Guardian* editorial of Saturday, 26,—the headline of this article was “school plan mostly a mixture as before.”

It said for about two years the Education Minister has kept promising to assign social workers to schools where presumably they could usefully counsel teachers as well, and meanwhile the Schools Intervention Strategy from the UNC period is to be expanded. Homework centers, an idea from the late 1960s, are to be set up and as always, Prof. Ramesh Deosaran was vaguely cited as a resource reserve.

Madam President, the people of this country are clear that the promises of making certain institutions available to the schools—

**Sen. Yuille-Williams:** Madam President, on a point of order. I really cannot tell the relevance of what the hon. Senator is saying. At 9.15 p.m., we really need to be on target. I have been trying for quite some time to connect her dots to the Finance Bill but I have failed.

**Madam President:** Hon. Senator, I too, have been trying to connect what you are saying. I have been looking through the Bill as you are speaking, and I must admit, although there are many relevancies here this evening, that you are being very irrelevant. Please come back to the Bill and talk about what the corporation tax, or whatever, is all about.

**Sen. Dr. J. Kernahan:** Madam President, I was making the point that clause 5 would amend the Corporation Tax Act, by amending sections 10(g), 10(i), 10(j), 10(k), 10(l) so as to increase from \$450,000 to \$1 million, the maximum allowance which could be claimed by companies which contribute financially towards the promotion of sporting events as well as towards local entertainment productions.

Clause 10(n) would be repealed and substituted by a new provision which would provide that the Minister of Education and the Minister of Culture shall issue certificates that audio-visual or video productions are for educational purposes or promote, or reflect local entertainment and culture respectively.

These provisions in the Finance Minister's presentation today that are supposed to alleviate the problem of violence in the schools, the problem of lack of educational material, the problem of resource base for students in the schools, are on the one hand being negated by the fact that other provisions by other Ministers in this Government are totally in contra to what is the stated objective.

I am saying the young people of our country do not drop from the sky. They come from households where they are socially, culturally and economically disadvantaged, and they come from households where their mothers and fathers—

**Sen. Dr. Saith:** Madam President, there are many definitions of relevance but, this Bill talks about a provision which is giving tax relief to companies that contribute to cultural and educational matters, and surely we can stick to that. There has been a budget debate and we have gone through all of that. It is not relevant to the Bill before us. This is not a budget debate.

**Madam President:** There seems to be a trend this evening to ignore when I make a ruling. It has happened before and it is happening again. I suggest, Sen. Dr. Kernahan, that you get to the matter of the Bill, please.

**Sen. Dr. J. Kernahan:** Madam President, we have to, in addition to these measures by the Minister of Finance, the Government, in fact, has to ensure that other provisions, other measures do not run in contra to what the Minister of Finance has brought before this honourable Senate for us to pass as legislation today. Children do not live in a vacuum. I am saying that the measures of vast dislocation which have taken place in many areas all through this country over the last six months in terms of unemployment in the sugar industry, in the agricultural industry, in different areas, are not going to promote the well-being of children even though one pumps millions of dollars as the Bill is attempting to do, into secondary aspects of what is needed for these children to really come out of the slide of violence.



The problem with this Government is that it has a very myopic approach to politics. It is very shortsighted. It does not see the bigger picture. One Minister can come to this honourable Senate and present a set of measures which are designed to alleviate a certain set of problems, and then another Minister would come and present another set of measures which would exacerbate the exact phenomenon that we are trying to alleviate, and there seems to be no problem, there seems to be no connection. In fact, as my hon. colleague who spoke about a disconnect between Parliament and the people, there is a disconnect among PNM Ministers in this Parliament in Trinidad and Tobago today, and it is having a serious effect on the people out there. They can sit in this honourable Senate and talk about relevance, but I am saying that you must be relevant, that you must bring to this honourable Senate as a Government—you do not come as individual ministers—you must come with policies designed to alleviate all the different areas that need to be attended to in our society.

If one Minister contradicts what another Minister is doing then the Opposition is well within its rights to point out the contradictions and make these points when it debates any of these Bills. I do not see why they have this problem, because they do not want people to see the connection. They feel that we are still in the 1960s, that we are viewing things in isolation.

**Sen. Dr. Saith:** On a point of order, Madam President. I am suffering a disconnect from the hon. Senator's contribution on the Bill before us. I am again raising the point, could we stick to the matter before us?

**Madam President:** I just want to remind the hon. Senator that it is the Standing Orders we are going by and not what Government is saying. It is what the Standing Orders say. If the Standing Orders say you are irrelevant then you are irrelevant, and that under section 43(2), I can ask you to end your contribution if you do not follow my ruling.

**Sen. Dr. J. Kernahan:** Madam President, the Finance Bill before us as quoted by the hon. Minister who brought the Bill, is supposed to strengthen economic growth and national savings. My question today is: How are we going to do this, as I mentioned in the earlier part of my debate, if we do not specifically target the most vulnerable sections of our population and their earning power, increase their productivity and increase their ability to save and so contribute to the national savings effort to provide funds for increased investments?

This Household Budget Survey 1997/1998 document—this is the latest that is available at this time. The income distribution pattern in this country suggests that

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48 per cent of the income earners earn below \$3,000. Of these, 10 per cent earn below \$1,000. Also, 42 per cent earn between \$3,000 and \$9,000, but 23 per cent of that 42 per cent earn between \$3,000 and \$5,000. 5.72 per cent earn between \$9,000 and \$12,000 and 4.42 per cent earn more than \$12,000. So we see a sizeable portion of income earners in this country, 48 per cent who earn below \$3,000 and there is a sizeable 4 per cent also who earn less than \$1,000 per month.

So specifically, if one is to achieve the objectives of this Finance Bill, I ask the Minister of Finance, how can he target specifically the people who earn less money in this society? How can we assist them to save, how can we assist them in terms of the cost of living? Figures from this same document show that the cost of food accounts for 22 per cent generally of household budgets in Trinidad and Tobago. The cost of clothing—6.67 per cent and these items and these people are the issues that we have to specifically target if we are going to help the less advantaged people in the society, specifically women.

Madam President, the statistics show that that 32 per cent of the women in our society are single female-headed household income earners and these women need to be targeted in order to increase their disposable income and increase their ability to save, to increase their ability to invest in their children's future. If we target women, especially single women who are heads of households, we are going to be able to solve many of the problems that one is seeing in the society with respect to the children. If you take care of the mothers you automatically take care of the children. If you target the women and give them more disposable income—and what you need to do is to find a way to transfer more resources of this oil-rich nation to our women—then we are going to automatically take care of 90 per cent of the problems we see arising with respect to young people.

What are the measures that this Government is going to use to deal with this major problem of single parent female-headed households, which is 19 per cent and female-headed households which is 31 per cent?

I am making a special appeal to the Minister of Finance to look at this problem. When you look at the problem you automatically deal with many other problems. There are headlines here like "Oil and Gas Coming in a Tidal Wave." This is in the *Newsday* Saturday 11, October. There is a 1.3 billion in windfall revenue. This was a headline in the *Business Express* of September 24. There are all kinds of tax concessions to higher income groups, and I am saying that we have to look after the lower income groups because they constitute the majority and are the most in need. The children of these low-income groups are the ones

who are feeling the pinch. In the midst of plenty our children are hungry, their standard of living is low, their real income is being degraded every day, the level of employment is decreasing in this country as my colleague, Sen. Baksh said earlier today.

There is a Bill before us which seeks to generate income and savings to generate the national economy by these measures which are being taken, and at the same time there is massive unemployment being generated in this country and there seems to be no consciousness that this is in direct contradiction to what you need to achieve. And there seems to be no consciousness of the contradiction that one sees where young people are going to school directly because of the unemployment—over 40 villages in Trinidad and Tobago, between north and south, are directly affected at this time by massive unemployment. The children's educational future is in jeopardy, they are upset, they are uncertain and that is why they are acting up all over this country.

These are some of the problems that I would like the hon. Minister of Finance to address and to deal very seriously with; the issue of women, how are they going to treat with transferring our depleting national resources oil and gas? If it is not done now there might never be another chance. We have to support the women in order for them to take care of their children and we are going to save in terms of the amount of money we are going to spend on penal institutions in the criminal systems, the justice systems. All the money that is normally spent on the police, the army and the hardware that is being advanced for national security, if we were to take care of the fundamentals in our society, of the basic steps and we make the link between what we are doing on one hand and what is being done on another hand, it is going to save us a bundle of money and more importantly, it is going to save our country from the abyss into which it is heading at a very fast clip at this time.

Madam President, I have likened what is happening in our country socially as a stone going down a hill and fast gathering momentum and pace and nobody knows where this would end because it seems that the Government does not have the political will to put an end to the fear, the terror and the uncertainty that is gripping the country.

The PNM Government has recently accused the UNC of promoting social instability in this country, and it is very curious that they should make this charge because any sensible, intelligible individual—you do not have to be an expert in finance or anything to understand that the stagnation in the non-oil sector, the growth as was reported by the hon. Minister in his presentation, 0.6 per cent, in the non-oil sector is partly responsible for the increase in social instability in this

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country. Exporters—there is an article in which exporters are crying out for the Government's help to promote the potential for export manufactures that we have here. We are seeing that the massive increase in agricultural unemployment and the lack of support for agriculture generally in this country is promoting social instability.

Just recently I was reading an article by Dr. Steve Bennett in which he was actually lamenting the total neglect of the buffalypso herd in the Caroni lands—he has done tremendous work over the years. We have actually exported semen to build up the buffalypso herd in countries like Venezuela and other Latin American countries, which now have huge herds and our herd is now depleted and being neglected by this Government because of its lack of vision for the potential for tremendous employment, savings and the generation of productive work in this country by taking agriculture seriously and particularly the buffalypso industry. Dr. Steve Bennett was actually begging the Government to do something to recoup the buffalypso herd that Caroni has languishing in its pastures. They are being depleted and the herds are dying. There is much infertility and abortion among the herds because this Government does not have the vision to see how that is linked to savings, investments and promoting the national economy. They bring a whole set of measures, but fundamental measures for production are not being taken heed of by this Government. That is promoting social instability in this country. The social disregard for a key plank in national development, the women of this country—you need to transfer resources to single women, to female heads of households who in turn are able to take care of their children, are able to promote the education of their children, are able to live in pride and dignity without the handouts from this Government. That is a keystone in promoting social instability.

In Gonzales, I have actually seen and have been horrified by the sort of callous disregard for women in this country. There are about 10 or 15 women under this regime, in one little pre-school sitting on a bench all day saying they are there to clean the school. They are stripping these women of their pride, of their dignity, of their will to work and to produce. Do you know why they have them there? So that the Minister can call them to campaign when the next election starts. That is promoting social instability in this country.

I would like to say to this Government that the Prime Minister and his Ministers can walk the streets of this country till their shoes wear down and drop off, but one has to face the reality that this is not going to solve any of the social or economic problems in this country, that one has to come to grips with the

reality of the fundamentals that are going to generate savings, generate production, generate employment, and avoid the whole question of one Minister coming with one set of measures in this Finance Bill, for example, to promote employment, to promote savings and investments in this country and then there are other ministers blasting everything he has done to smithereens. I thank you.

**Sen. Wade Mark:** Madam President, I rise to make my contribution to this very important measure, the Finance Bill, as manifested in the various amendments as proposed by the hon. Minister.

As my colleague indicated, these measures were introduced in some way in the 2003/2004 Budget, and to give effect to these measures they have to be incorporated in this Bill, called the Finance Bill. The hon. Senator has also indicated to this honourable Senate that the economy of this country is one of the healthiest in the region. One of the objectives of these measures is to promote economic growth and, at the same time, to generate greater levels of national savings so that we can achieve a greater level of local participation in the production structure of our economy.

I would like to demonstrate in my contribution as I seek to make the connection between all these measures, and the emerging reality is that the strategy as outlined by the hon. Minister is underpinned by a theory, which, from our analysis, is very flawed. What the Minister is seeking to achieve and what the Government is seeking to achieve at the end of the process would not fundamentally be achieved. We are told that the macro economic indicators are very healthy: there is excellent economic growth; there is a high level of foreign direct investment; inflation is relatively stable; there is a relatively stable foreign exchange rate; and the gross foreign exchange level is reasonably healthy.

#### **9.40 p.m.**

These indicators would paint a rosy picture, but that is the macro economy. When we look at the micro economy, that is where the stark and harsh reality hits us. The indicators in the micro economy tell us that this economy is not achieving its ultimate objective because the purpose of our economic activity at the end of the day is to improve the quality of life and standard of living of the vast majority of citizens, particularly those who are poor, dispossessed and oppressed. That is the purpose of the economic activity that we are engaged in.

When we look at the micro economy and its performance and we look at education—in shambles; we look at health—in shambles; unemployment

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continues to grow and underemployment continues to rise. Crime is out of control in this country. The poverty level continues to climb and rise.

When we look at the measures announced in this Finance Bill, which I shall go into, we are arguing that because of the disconnect, because of the separation that takes place between the macro economy and the micro economy, the Government of Trinidad and Tobago has to put its house in order because its economic policy resembles business as usual. This is a business-as-usual government.

We heard from the hon. Senator Christine Sahadeo earlier that the gross domestic product of this country tallies over \$67 billion. We also heard from her that the energy sector contributes some \$21 billion or thereabouts, but she did not tell us about the leakage. She did not tell us how much of that \$67 million minus the \$21 million is going out of this economy and out of this country as factory incomes and property incomes to the shores of America and Europe.

That is why when we talk about savings and about removing the tax on interest, we have to understand that whilst we are seeking to mobilize savings for investment purposes, the reality is that the internal dynamics necessary to propel this economy towards sustainable growth and development is lacking and, therefore, Trinidad and Tobago will never be able to record meaningful transformation of its economic structures if we continue the economic policy that the Government is pursuing. It will not be realized.

We have realized from this Finance Bill that the measures are not going to work. Madam President, I would like to say, when we look at these measures, that this Government is taking decisions that are not hard; but to transform this economy we have to take hard decisions.

If we look at the various measures that have been identified in this Bill, the Government is seeking to amend the Central Tenders Board Act. The Minister said he is coming with comprehensive legislation in due course because there is need to speed up the delivery of goods and services and the Central Tenders Board is an obstacle, given its present bureaucratic nature and operation, to the achievement of that objective. Hence he has imported into this Bill a number of amendments that he is hoping would achieve a greater level of efficiency. You know what, Madam President? To date, he has not provided this Senate with the rationale. He has not provided us with any kind of study that shows the deficiencies and ineffectiveness of the operations of the Central Tenders Board. He has not provided us in this Bill any system of accountability.

If he is talking about proper fiscal management in a modern society and economy like ours, there has to be rules and regulations to ensure proper accountability, transparency, scrutiny and openness. We have measures here, but the Parliament and the country are not aware of the system of rules and regulations that would be effected to ensure greater accountability as it relates to expenditure of our resources.

I was a former Minister of Public Administration. I know how a permanent secretary is appointed. I have seen developments in the last few months in this country where there are weak permanent secretaries who pander to the whims and fancies of ministers. They may end up in jail if they are not careful and I warn permanent secretaries here tonight that they must be careful when taking instructions from ministers that are designed to break the law. They must not do that.

I have seen instances—Madam President, do you know how a permanent secretary is appointed? The Prime Minister must give his consent and if he vetoes your appointment, “crapaud smoke yuh pipe”. [*Interruption*] That is how the system is, I agree. So, there is an incestuous relationship between the Prime Minister, permanent secretaries and heads of departments. Therefore, when we make these changes, “Stretch”—I want to connect the dots—

**Madam President:** Senator, do not call anybody—

**Sen. W. Mark:** That is my hon. colleague, the Minister of Local Government, the illustrious Rennie Dumas.

I saw in the newspapers where a permanent secretary was telling the country that she called the Director of Public Administration (DPA) to get a letter to the Prime Minister, and I said to myself: If that permanent secretary had the strength when that request was made of her, having regard to the fact that the Public Service Commission is separate and distinct from the Police Service Commission and is an independent institution, she would have told the Prime Minister that he was travelling down the wrong road and that she could not do it.

This is the same permanent secretary who got on the telephone in 2002 and called on the Chief Elections Officer to go on vacation leave and the Chief Elections Officer had to tell her where to jump off. That is a weak permanent secretary. The reason I raised that question—do not look at the Standing Orders—I am coming to tell you why I am connecting.

**Sen. Yuille-Williams:** Oh my God!

**Madam President:** Senator, were you speaking to me?

**Sen. W. Mark:** No, I was making reference to the Parliament.

**Madam President:** But I was looking at my Standing Orders.

**Sen. W. Mark:** Sorry, sorry, sorry!

**Madam President:** I would not like to think that you are imputing—

**Sen. W. Mark:** I was not looking at you, Ma'am. I was looking at my colleague here.

**Madam President:** I am trying to ensure that you are not imputing—

**Sen. W. Mark:**—improper motives.

**Madam President:**—to somebody who cannot defend “themselves” in this Parliament.

**Sen. W. Mark:** I did not call names. I was very clear. I did not call any names.

[*Interruption*] What, the Prime Minister? He is a politician and he is entitled for me to wipe him clean because he is into the warring. I was not talking about the Prime Minister; I was talking about the permanent secretary.

**Sen. Dr. Saith:** Madam President, when the hon. Senator says “the Permanent Secretary to the Prime Minister” he can be only talking about one person and he is imputing improper motives.

**Sen. W. Mark:** In what way?

**Sen. Dr. Saith:** That she is weak and that she had no right to—

**Sen. W. Mark:** What is improper about that?

**Sen. Dr. Saith:** You said so!

**Sen. W. Mark:** What is improper about that?

**Madam President:** Sen. Mark, please? Sen. Mark!

**Sen. W. Mark:** Yes, Ma'am. [*Inaudible*]

**Madam President:** Yes, but I do not want you to be referring to somebody who cannot defend “themselves” in this Senate. Once you speak about that person, everybody knows about whom you are speaking.

**Sen. W. Mark:** Madam President, I was making the point that we are going to be giving permanent secretaries the power to increase the allocation. [*Sen. Dumas stands*] “Doh” eat into my time, “eh”! I will allow you this time.



**Sen. Dumas:** Would the process that was started about public sector and public administration reform, of which the Senate has been so proud in the past, have helped us to make sure that these people were strong enough and able enough to carry out the functions envisioned?

**Sen. W. Mark:** We shall speak behind closed doors on this matter. I will go back to the Bill.

When you move from \$5,000 and you go to \$200,000 and you put that into the hands of a permanent secretary, I am not saying that is wrong, because efficiency and given where we want to take this economy would demand that we have that kind of flexibility. However, my concern is that there is a system of rules and regulations to ensure that there is transparency, accountability and that there is no nepotism, cronyism and favouritism that could lead to corruption. That is my concern. I am saying that permanent secretaries of whatever hue and colour must be strong and not allow themselves to be manipulated by ministers. I am not imputing improper motives. It is a fact that if you are not strong, you are going to be overwhelmed. That is the point. So, we have a problem.

Too many discretionary powers are being given to permanent secretaries and tenders committees without any system of accountability. That is why we need to have in this legislation some system of accountability to ensure that people do not abuse their authority. I am asking the hon. Minister to consider this point.

As they move from the \$5,000 to the \$200,000 and from the \$25,000 to the \$1 million, we would like to know from the Minister of Finance, how the taxpayers of this country would know when a PS is not giving something to a minister friend as a consultant. We would like to know what system of appeal would be put in place so that when I am not given a proper chance, how do I appeal the decision of the permanent secretary.

We live in a society in which we have equality of treatment and we cannot have a situation—*[Interruption]* Hear the foolishness he is talking: You must go for a system of judicial review.

**Sen. Enill:** I am a bit confused by what the Senator is saying and I need some clarification. Permanent secretaries currently are controlled in a particular way in accordance with the law. The Central Tenders Board Ordinance as we have it here already has built into it all the safeguards. All we are seeking to do at this time is to change the limit. Is the Senator suggesting that something is currently wrong with the accountability system within the Government and that we should look at it? There are personal liability issues enshrined within the law that deal with the individual if he goes into breach.

**Sen. W. Mark:** I can tell you from my experience that a permanent secretary was sent to the Public Service Commission under my jurisdiction. Do you know why? Because at that time the limit was \$100,000 and it is only \$99,000, \$99,500, \$99,900. That is the abuse about which I am talking. What system are you going to put in place to ensure that that abuse of the system does not take place? A permanent secretary lost a job for that.

**Sen. Enill:** So, it is good.

**Sen. W. Mark:** I am saying, Madam President, that if you have a vigilant minister, like myself, it will take place, but if you have ministers who are manipulating the system and are putting fear into the heads of permanent secretaries and public officials, then you can have corruption, cronyism, favouritism, nepotism and the abuse of power. There is nothing in this Bill that tells me that you have put something in place to satisfy the taxpayers of this country. When you go from \$5,000 to \$100,000, that is a large amount of money. It is a big increase; and then you go from \$25,000 to \$1 million. That is my point.

We call for greater accountability, greater transparency and greater scrutiny. We are not happy with the way this matter has been addressed in this Bill. We are all for efficiency. When we were in government and we talked about fast tracking, it was corruption. The PNM is now in government and they are recognizing the obstacles with which they are faced in terms of the Central Tenders Board. *[Interruption]* We are doing it legally? I am convinced that the most corrupt government that we have had in this country in the last 25 months is the PNM; and we will expose them all because we are gathering the evidence right now and it is accumulating.

Madam President, are you aware that this PNM Government that was so against InnCogen and which said they were investigating and were going to have an enquiry—even the Attorney General, press conference—do you know that they sold InnCogen seven months ago? *[Interruption]* You all, and Prof. Ken Julien played a big role in the disposal of InnCogen. My information is that InnCogen has been sold. Tell me if I am wrong!

**Sen. Dr. Saith:** Yes, Madam President, let me tell him that he is wrong. InnCogen was never owned by the Government of Trinidad and Tobago, so the Government of Trinidad and Tobago could not have sold it. Go back and find out from your colleague the deal he worked on InnCogen!

**Sen. W. Mark:** Let me recast my statement. It was necessary for the Government of Trinidad and Tobago to give the green light to InnCogen in order for it to sell its assets.

**Sen. Dr. Saith:** Madam President, the Senator is wrong again. The Government has not given any green light, as he well knows. His friends, who formed InnCogen, went into bankruptcy. The bondholders have taken InnCogen and they are trying to sell it. Sen. Mark was a minister at the time and he was a member of the Cabinet and he must know the arrangements made with respect to InnCogen and the “short pants” man.

**Sen. W. Mark:** My information stands until further notice. *[Laughter]* InnCogen has been sold and they got the green light from the Government.

Madam President, again, in the section on income tax and in the section on corporation tax, there are discretionary powers without any system of accountability. I have information on something else and I want the Minister of Community Development and Culture to clarify the point. We, the Opposition, understand that the Minister took a helicopter ride on Monday evening. Is that a fact? *[Laughter]* We just want to know if it is true.

**Sen. Yuille-Williams:** I promised not to allow that Senator to get away with anything from now on. Monday night in a helicopter; I am so scared of flying.

**Sen. W. Mark:** You were not in a helicopter? Maybe it was your sister.

**Sen. Yuille-Williams:** Sen. Wade Mark, you have to be serious. You just do not come in the Parliament and say these things that you know are not true. There is no laughing matter in it. These are serious things. Five minutes after ten you are coming with things you know are not true. *[Laughter]*

**Sen. W. Mark:** Maybe it was your sister. I do not know.

**Sen. Yuille-Williams:** I do not need it! I have no sisters!

**Sen. W. Mark:** Maybe, it is a case of misidentity. *[Laughter]* I take your point. If you did not fly in a helicopter on Monday, fine. No problem. I just asked. “Yuh tell me.” I just wanted to know.

Madam President, in terms of this Bill as it relates to corporation tax, I want to find out from the hon. Minister of Finance, having regard to the kind of property incomes derived by the energy sector via the exploitation of our resources, does he think it is absolutely necessary to extend this facility to them? They have all kinds of allowances—depreciation allowances. I understand that over \$20 billion to \$30 billion leak out of this economy because of the control these energy giants have over the offshore economy of this society. Poor people are under real pressure in this land. I would like the hon. Minister to tell us how much money he anticipates the energy sector companies would be able to claim at the end of the fiscal year.

We should be taking more out of these people, not less. Why has the Government not revised and brought to this Parliament, as was promised in the budget, January 01, 2004, a new crude oil and natural gases price regime? As a society, we are being robbed; we are being ripped off; we are being cheated, and here the Government intends to give more concessions to the energy sector. This should be confined to the local economy, to local entrepreneurs and local corporations, not the energy sector. We must do a study of that sector; have a price regime for that sector and this should be suspended.

I do not know why we should come to this Parliament to give more concessions to the giant corporations that are disconnected from our economy, which have the highest levels of savings we can think about and which save all their moneys in Washington and New York. They take our moneys and they invest and consume in those countries. We build America while Trinidad and Tobago is starving, whilst poor people are dying and whilst hospitals do not have equipment. Where is the equity?

**Sen. Enill:** It is one of two things. Either the Senator really does not understand the measure—

**Hon. Senator:** That is it.

**Sen. Enill:** Okay. This measure is intended for the local entrepreneur who has, in the last year, gone to the energy company and said: “I would like you to support me in terms of culture”, and they have said no. This measure, therefore, simply seeks to create an opportunity so that when he goes, the company will benefit from whatever expenditure they put in that particular activity. Right now, he is getting absolutely nothing.

**Sen. W. Mark:** Because they are cheap!

**Sen. Enill:** That is immaterial. What is material is that this measure is intended to provide citizens of this country with a benefit that other organizations get.

**Sen. W. Mark:** That is a waste of time. I am saying they should be extracting more corporation taxes and royalties from these giants that have been taking \$30 billion out of the economy for the last so many years. Take more royalties; take more taxes so that people do not have to beg for entertainment allowances!

**Sen. Enill:** Again, Madam President, the rate of taxes in the oil sector is significantly higher than what exists. It is also structured. Sen. Seepersad-Bachan talked about it. You have SPT, PPT and the normal taxes. In fact, when you look at

it, whatever they do in terms of extra production comes to the country, so the statement as it is made is not correct. It is just not correct and you cannot make statements that are inaccurate to mislead the Senate. It is not right.

**Sen. W. Mark:** You have not convinced me and Sen. Dr. Saith has not convinced me. [*Interruption*] Yes, you are correct and you are God? You sit at the right hand of God. So you are correct and I am wrong.

**Madam President:** Sen. Mark!

**Sen. W. Mark:** Because you say so. Who are you? Lenny Saith.

Madam President, I would like the hon. Minister to indicate the system of accountability as it relates to the issuing of certificates to the various groups that would have access to the various companies in Trinidad and Tobago for entertainment, cultural, sporting and educational purposes. What policy has been put in place to ensure transparency, so that the PNM does not organize its own NGOs as they are doing right now?

The Prime Minister made a statement that is disturbing to me and to the entire national community when he said recently that he is going to provide ammunition to his supporters so that they can discharge them against persons who are against the PNM. What did he mean? Resources of the country?

**10.10 p.m.**

**Sen. Dr. Saith:** Madam President, on a point of order—again, the hon. Senator is misleading the Senate. Will the hon. Senator quote the source from which he is making that statement?

**Sen. W. Mark:** What?

**Sen. Dr. Saith:** That the Prime Minister—

**Sen. W. Mark:** I will bring the quote. I will quote it for you, Madam President. I will pause for the moment and the Marshal will bring the *Sunday Guardian* where the Prime Minister attacked the media and I will quote it for him. I will pause. He cannot mislead me. I have my facts but I will come back. Yes man, we are going.

Madam President, I want to ask the hon. Minister of Finance which groups are going to benefit from this? He is going to give the Minister of Community Development and Gender Affairs who just committed a serious crime in the country—

**Madam President:** Sen. Mark, did I hear you correctly?

**Sen. W. Mark:** Crime.

**Madam President:** Did you say the Minister of Community Development and Culture committed a serious crime?

**Sen. W. Mark:** Yes, and I am going to expand on it.

**Madam President:** You are making an accusation against the Minister.

**Sen. W. Mark:** If you say the word is wrong and you do not want “crime” I will take it back.

**Madam President:** Yes, you have to take it back!

**Sen. W. Mark:** Yes, I will.

**Madam President:** You have to apologize for making that—

**Sen. W. Mark:** I am not apologizing for “crime”. If you tell me to withdraw “crime” I will withdraw “crime”.

**Madam President:** Sen. Mark, you are making an accusation against the Minister of Community Development and Culture.

**Sen. W. Mark:** But you are not allowing me to expand.

**Madam President:** You are saying that she committed a crime.

**Sen. W. Mark:** But “crime” is used figuratively Ma’am.

**Madam President:** No, I am afraid you cannot use those kinds of words.

**Sen. W. Mark:** If you do not want me to use the word “crime”, I would use something else.

**Madam President:** Sen. Mark, I am a bit fed up of your rudeness here this evening, so please.

**Sen. W. Mark:** If the word “crime” has offended the President and the Minister, I withdraw it. The Minister is going to give the Minister of Community Development and Culture the power to issue certificates to whomever. We do not know!

The Minister of Education is being given the power to issue certificates. We do not have a system to tell us who, how and when. We do not know! We have had a series of discriminatory practices by this regime since they came into power 25 months ago. What we are arguing is if the Minister is going to have the power

to issue certificates, we want to know from the Minister of Finance what is the policy framework for this. This is a recipe for corruption, nepotism and cronyism. Only the PNM can have access to these things, because they will form NGOs, especially to access these funds. Everybody in this country must know how they can access these funds. There is no transparency in this whole arrangement, none. The Government wants us to rubber-stamp these measures? We are not doing that!

The Minister must tell us what are the criteria. We want the policy. This is a recipe for corruption. Public policy, as you know, should be administered fairly and equitably. Public policy cannot be inequitable.

Clause 7 speaks about the exemption from payment of stamp duties, all letters or powers of attorney. He said the income lost is going to be small. The Minister did not tell us what the sum is. How much is going to be lost? Some will benefit and some will not. We want to know what income is going to be foregone as a result of this measure. The Minister said it is a bit. Is it \$100,000 or \$50,000? The Minister is not telling us. Certain attorneys, firms and persons who do business in these areas would no longer have to pay stamp duty because it is too cumbersome, bureaucratic and there are difficulties that were discovered. The Minister has discovered those difficulties but he should come and tell the Parliament what is the sum we are going to lose. Is it \$10? The Minister wants me to rubber-stamp this measure.

Madam President, it is a coup that has taken place in terms of the Green Fund. I have asked the Minister to ensure that there is transparency, accountability, scrutiny and equity so that people do not feel discriminated or left out of the system.

I do not know where Sen. The Hon. Christine Sahadeo got her figures. She told us this afternoon that the Green Fund, as of today's date, is \$240 million. I asked a question in the month of October and the answer I have before me is \$273 million, as at the end of October. Therefore, I would assume—that is if the Government is collecting \$9 million—\$10 million a month in the levy—by now the Green Fund should be standing at approximately \$300 million. I do not know where the Minister got her figure. I know what is on parliamentary record, based on the answer I got from Sen. The Hon. Enill. He stated that it was \$273 million. What is the Government going to do with \$300 million without any system of accountability, transparency and scrutiny? That fund is going to be administered, managed or disbursed by the Minister of Finance. The Minister who is now in charge of CEPEP will now be able to manage it. She will make requests and

moneys would be disbursed, that same Minister of Public Utilities and the Environment. “She fadder and she bredder ha contract with CEPEP.” Do you know that? That was in a question. That came here.

**Madam President:** Which minister are you speaking about please?

**Sen. W. Mark:** Could I sit? I have to stand to answer. The hon. Minister of Public Utilities and the Environment. When we asked the question we saw all the names. If you want, I could call for the record. It is parliamentary record. What system of accountability are we going to have? It is not that I do not trust the hon. Minister of Education. She is a very decent lady. It is not that I do not trust Sen. The Hon. Yuille-Williams. She is a hard worker. I know this. That is why she acts as Prime Minister from time to time. The Prime Minister recognizes her strength and determination for hard work. These are just individuals. They are in a party! The party’s instructions give ammunition to discharge. Is that the paper? Yes.

Madam President, could I read from the appropriate section?

**Madam President:** Where are you reading from?

**Sen. W. Mark:** I am reading from page 3 of the *Sunday Guardian* of January 27, 2004. I quote:

“When these things happen party members must not stay silent.”

Mr. Manning is quoted here.

“The Government’s responsibility is to ensure that you have ammunition to discharge that responsibility.”

I ask the question: When the hon. Prime Minister said ammunition, did the Prime Minister mean resources? Is he saying that the PNM will now use the resources of the State to give to their supporters so that they can deal with their responsibilities? What? I do not know! It is not clear!

**Sen. Dr. Saith:** Perhaps, I could make it clear. The Prime Minister said: “You now have the information meaning the ammunition—political terms—to discharge your responsibility.” I have heard, as the Prime Minister said at his press conference, we sometimes say: “You are making political mileage.” That does not mean you are a motorcar.

**Sen. W. Mark:** You must tell the Prime Minister to speak a little more clearly so that he would never be misinterpreted. When he gets a private ride or a drop he must say that it was paid for. As Repsol said—he must say the truth. *[Interruption]*



**Sen. R. Montano:** Why did Repsol lie about that?

**Sen. W. Mark:** I am not saying that Repsol lied. They were trying to cover up.

**Sen. R. Montano:** Why?

**Sen. W. Mark:** Because they do not want to embarrass themselves after the Prime Minister had embarrassed them.

**Madam President:** You are having a private conversation?

**Sen. W. Mark:** I am sorry. Let me pay attention to you. All I ask is that the hon. Minister provide us with some system of—

**Madam President:** Hon. Senator, you had me so distracted I nearly gave you extra time, but luckily I was just in time. The speaking time of the hon. Senator has expired.

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

*Question put and agreed to.*

**Sen. W. Mark:** Those are my friends: both the Attorney General and Sen. The Hon. D. Montano. I know them very well. We interact all the time. All I ask and all we on this side ask is that we want some accountability to avoid any perception of inequity, discrimination and/or unfair distribution of the resources of the people of this great republic. That is all we ask.

In this regard, I have suggested to my hon. colleague for his consideration—if you look in clause 69 of this Bill it states that the Minister may make regulations. I have suggested and I wish to suggest to you, Madam President and through you, to the hon. Minister, in an effort to avoid any doubt in the minds of people about any untoward mal distribution of the resources of the State, I respectfully submit an amendment for his consideration, conscious of the fact that I do not have the power. It is a suggestion for his consideration. Under clause 69, I think it should state: “The Minister may make regulations subject to an affirmative resolution of the Parliament.” The reason for that is that it would give the Minister and the Government a greater level of accountability, transparency and equity in this particular situation. We do not want the hon. Minister to end up in jail. We do not want any Minister on that side to end up in jail. The correct thing to do is to put the regulations before the Parliament so that we will have a system of accountability. That is all we ask. Sen. Dr. Saith, that is all we ask. It is a consideration that we put to you.

*Finance Bill*  
[SEN. MARK]

*Thursday, January 29, 2004*

Madam President, I think clause 9, in terms of customs, is an excellent development. I recall when I was in government this armoured vehicle arrived at the docks. I knew of this development. I would not go into details for national security reasons, but I can tell you that is a dangerous development for Trinidad and Tobago. I am glad the Government has taken steps to protect the society. There are killers, terrorists and insurgents in this country who are waiting for the slightest moment when we go to sleep to run through this country, take over the town, lick up, murder or get rid of persons. That is there on the agenda. It is like a time bomb ticking. It is not if it will happen, but when.

This is a good measure. I am a fair person. If the Government has introduced a good measure I will say it is a good measure. This is a good measure to protect national security and the citizens of this country.

Under health surcharge the Government is increasing—I think this is the interest payment—the interest payment from 15 to 20 per cent, if am not mistaken. This is in clause 10. At the same time, if the Government increases it, it gives the Board of Inland Revenue or the VAT office a certain kind of discretion. We should insert after the words “date of payment” the words: “unless the board otherwise directs”. Again, we are giving some power. The Government is increasing the penalty, but still giving the Board of Inland Revenue discretionary power to determine. We know these things could be subject to abuse.

My problem is we can give these agencies, departments or authorities all the discretionary power to do things, but we must have accompanying that power checks and balances. We want a system of accountability so that there will be no abuse of the system by public officials, sometime in collusion with ministers. That is all I ask. The Government is increasing, but yet the possibility exists that they go from 15—20 per cent. Someone can tell you X, Y and Z and the board says okay you are scotch free. When Wade Mark comes they could say: “Oh, you are UNC.” Do you know what is happening? We need to have a system that is transparent and fair. I am not seeing it. I believe once we are giving discretion there must be rules and checks and balances to support it and follow through.

Madam President, I did not intend to take so long in my contribution. These matters which we have before us are very weighty and important. That is why, as the official Opposition and alternative government to the PNM, we have to be responsible because we have an electorate to account to. Therefore, we cannot come here and just give blanket support. That will never happen. Even when I am dead the Government is not getting that support from me.

I wish the hon. Minister luck. I hope that in his consciousness, the measures that he has proposed would materialize in a positive direction. I am confident however, based on the reality of this economy—nobody could tell me it is not the reality—there is a disconnect between the energy sector and the non-energy sector. We do not have an internal dynamic in this economy. Therefore, we have one society but two economies. One is away from the domestic economy, which is the driver. Right now the driver is driving this economy by a percentage of approximately 10 per cent for the first nine months. The next driver is driving at 0.6 per cent. Where are we going? How can the domestic economy grow by 0.6 per cent and the energy sector by over 12 per cent? Do we expect to have balanced, sustained economic growth and transformation? It will not happen in your lifetime.

Unless there is a fundamental and revolutionary break with the system of oppression and exploitation, the disconnect between the offshore and the onshore economy—unless we establish forward and backward linkages within this economy we are spinning top in mud. We will continue to breed criminals in this country. Our children would not have a chance in this world. Do you know what had me a bit dismayed? I was dismayed to see my Prime Minister, the Hon. Patrick Manning, on page 5 of the *Newsday* of Wednesday, January 28, 2004 literally begging the banks and energy companies: “Oh God help meh. I have too much unemployed youths in the country.” But he is the Prime Minister! The banks are making \$300 million—\$500 million every year. Why would the Government not put an extra profit tax on these people? Why does the Prime Minister have to beg a bank and an energy company to help him? Is he not in charge of this country?

Madam President, do you know that the banks in this country make more than \$1 billion at the end of each year combined? That is profit. What are they investing? What are they putting in the economy in return? They exploit us. If you save a little change in the bank they would give you a penny. They give a cent, but they are living high and mighty. The Prime Minister of this Republic has to call these people and say: “Sir, I want help. Madam, I want help, please. The youths are in poverty. The youths are unemployed. The youths are in crime. I need your help.” Madam President, do you see why I told you that this economy, if we continue along the path that the PNM is going, will go nowhere fast. The Prime Minister is making a mistake when he begs like that. He is the Prime Minister of the country. This economy is our economy. Once the Government sets the policy framework people have to fall in line.

That is why I call on the Minister of Finance to speed up the new crude oil and natural gas pricing regime. We must get more money out of that otherwise

*Finance Bill*  
[SEN. MARK]

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take over the industry. The Government must take control of the energy sector. That is what is being done in the state sector right now. We have a large state enterprise sector that is losing money and it is still there, except the Caroni (1975) Limited workers who were unfortunate. The Government licked that up.

My main point in closing is simply that I do not think that what the Government is doing is going to benefit this country. I feel ashamed for our Prime Minister to beg on his knees. There are sectors in this economy that are living in what Lloyd Best calls the golden age. It is a bonanza that they are experiencing, and we still have to beg these persons to help our young people. The PNM has lost control of this economy. *[Interruption]*

**Sen. Dumas:** Question?

**Sen. W. Mark:** No, you would talk to me after. They have lost control of the economy. They have lost direction in terms of where they are going to take the country. This country is going from pillar to post, it is just drifting along. I do not have much hope and faith. I hope the hon. Minister of Finance would be successful in his effort at transforming this economy. I do not see much hope for transformation. I see continued dependence, underdevelopment and what Beckford has described as persistent poverty in our country.

I thank you very much.

**Madam President:** If there is no one else, I call on the Minister to wind up please.

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, I have thoroughly enjoyed the contributions of all Senators. However, I think that during the debate, most of my colleagues dealt with many of the issues. There are just a few comments I want to make, generally. I have heard the issue come forward about accountability. I think we should recognize that under the current system, accountability is a challenge because the system needs to be more responsive. We need to have measures within the system.

There are some who would argue that the independence of the system at this point in time isolates or moves away from political interference as it is. On the same hand, accountability is something where, if somebody does not account, the individual charged with the delivery must be in a position to deal with it. Currently that is not available to us. We can only deal with the system that is available to us under the law. That is a general comment that I wanted to make.

I sit here sometimes and I feel a disconnect between some of the contributions that are made and the reality of my function as a minister. Clearly you cannot be

talking and having expectations in the way that you have said what you have said if you understand our system. Sometimes I find difficulty in contextualizing what we are saying because it does not recognize the current system under which we operate. Therefore, for me, sometimes there is a disconnect.

I have been asked simply to state from the drafters that I should put on record that on pages 8 and 11 of this Bill there are two small typographical errors. On page 8, at 3(b)(2), it says: “The board is not bound to accept the lowest or/ant offer.” It should be “any”. On page 11, we mentioned this before. Instead of the word “financial” it should be “Finance”. I just wish to put that on the table.

I will try to be brief, Madam President. Much has been said about the Green Fund. The Green Fund was established in 2000. We have been unable to get that fund working because it did not treat with the requirements under section 43 of the Exchequer and Audit Act that determines how public funds must be accounted for. One of the things that the legal unit said to us is this: if you are in fact spending public funds, it cannot be given to a body that is not accountable. Therefore, what we are seeking to do in this configuration—I hear the comments and agree with most of them. I was the one who said, as far as we are concerned, we should always have a system of transparency and accountability. We will attempt to do that through the regulations. I do not see any difficulty in doing that. The point is, even as we bring legislation and do what we must, there is a process that we have to follow and we are in fact guided by that.

There is one other point I wish to make before closing. There has been a lot of discussion about this particular article that talks about terrorist threat related to LNG. The only piece I wish to add to that whole discussion is that the consulting firm, TRW the one I think which made the comment, also identified tankers carrying Canadian oil or cruise liners carrying hundreds of tourists as possible security risk. For completeness of the record and for the information of all the Senators it did not specifically talk about Trinidad and Tobago and LNG. It spoke about shipments but it also talked about cruise liners and tourists.

If I may, Madam President—no I would do this at some other time. Governance is a difficult process sometimes and no matter how much we attempt to move the process forward, we are very thankful for the support that we receive.

**10.40 p.m.**

Madam President, I just want to make one other comment as it relates to questions asked by Sen. Anmolsingh-Mahabir, and this had to do with the whole question of the health surcharge. Last year, we approved \$1,263,076,296 to the

Ministry of Health, as really the cost of health care in this country. Insofar as that year was concerned, I think that health surcharge—I do not remember the number—was less than \$100 million. What I am saying is that the health surcharge is simply one other revenue measure that goes into the Consolidated Fund, but we still had to supplement the health surcharge by over \$1 billion, in order to deal with the whole question of health care in Trinidad and Tobago. Maybe, we should consider finding a way of changing the formulation of that, but that is something that we would certainly be looking at. I take the view that if the Senator has identified it in this particular way, there are going to be expectations that we may not be able to achieve, and that create some issues for us but that we would do.

**Sen. Mark:** Madam President, I suggested to the hon. Minister one of the ways that we could have greater levels of accountability, and that is the amendment that I was asking the hon. Minister to consider, in terms of having the regulations that the Minister would be making, subject to an affirmative resolution of the Parliament.

**Sen. The Hon. C. Enill:** Sen. Mark, yes, and I do not have any difficulty with that, but insofar as this particular piece of legislation is concerned, we would have to deal with this matter differently. It cannot be entertained at this time. The commitment that we have made is that the regulations would be laid in Parliament. I cannot change it.

Madam President, I recognize the comments and I am giving the undertaking that it would be laid in Parliament.

**Sen. Prof. Ramchand:** Madam President, I would just like to know if the hon. Minister is going to try to integrate some of my suggestions with respect to 64 of the regulations.

**Sen. The Hon. C. Enill:** Madam President, basically, I forgot to mention that but there are a number of other contributions that were made as it related to certain aspects of this particular Bill before us. I propose to take them into account and bring them at the next available time, which would be very shortly. There are some other matters that will be coming as well.

Madam President, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

**Sen. The Hon. C. Enill:** Madam President, in accordance with the provisions of Standing Order No. 63, I beg to move that the Bill be not committed to a committee of the whole Senate.

*Question put and agreed to.*

*Question put and agreed to, That the Bill be now read a third time and passed.*

*Bill accordingly read the third time and passed.*

*Motion made and question proposed, That the Senate do now adjourn to Tuesday, February 03, 2004 at 1.30 p.m. [Hon. Dr. L. Saith]*

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 10.47 p.m.*

#### WRITTEN ANSWER TO QUESTION

#### Lease issued for period January 2002-November 2003

*The following question was asked by Sen. Wade Mark:*

**11.** Could the hon. Minister of Agriculture, Land and Marine Resources provide this Senate with a list outlining the:

- (i) names
- (ii) addresses
- (iii) location of all lands which were distributed during the period January 2002 to November 30, 2003?

| No. | Name and Address  | Location                               |
|-----|---|--|
| 1.  | Andrew Garcia and Marjorie Garcia<br>#18 Aripo Road, Wallerfield                | Same                                   |
| 2.  | Victor Joshua (a/c) Victor Josha<br>Lot #18 Redwood Street, Morvant             | Same                                   |
| 3.  | Willard Ashley Shannon and Jessica Shannon<br>#564 Diamond Vale Housing Project | Same                                   |
| 4.  | Rosanna Brathwaite<br>Lot #67 Malabar Road Extension, Malabar, Arima            | Same                                   |
| 5.  | Ann Nover Beckles<br>Lot #20 Toucan Avenue, Tumpuna Crescent, Arima             | Lot #100<br>Tumpuna<br>Housing Project |

Written Answer to Question

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| <b>No.</b> | <b>Name and Address</b>   | <b>Location</b>                              |
|------------|---|--|
| 6.         | Clive Nichols<br>#10 Perseverance Park, Ojoe Road, Sangre Grande                  | Same   |
| 7.         | Josephine Joseph<br>Lot #7 Commission St. San Fernando                            | Same   |
| 8.         | Cicely Small a/c Betty Small<br>#461 Tenth St. Techier Village, Pt. Fortin        | Same   |
| 9.         | Kathleen Tyson Huggins<br>SPQ 48 Belle Vue, St. Mary's Village, South Oropouche   | Same   |
| 10.        | Garnet Lawrence Maitland<br>#9 Marriot St. Hubertstown Guapo                      | Same   |
| 11.        | National Housing Authority  | Maloney Estates                              |
| 12.        | Sonny Howe<br>Lot #10 Village, Parry Lands, Guapo                                 | Lot #1, Ward of La Brea                      |
| 13.        | Louisa Benn<br>Cemetery Trace, Charuma Village, Biche                             | Ward of Charuma                              |
| 14.        | Justina Christina Jones<br>Lot #22 G Street, Fanny Village, Pt. Fortin            | Lot #21 Cassia St. Morvant                   |
| 15.        | Shirley Springer<br>Hamlet Trace, Off St. Barbs Road, Laventille                  | Lot #154 Lady Young Avenue                   |
| 16.        | Sharon Ash<br>#20 Semp Avenue, Tumpuna Road, Arima                                | Lot #63<br>Tumpuna Housing, Project          |
| 17.        | Michael Bristol<br>#24 Wickham St. Point Fortin                                   | Lot #451<br>Techier Village,<br>Point Fortin |
| 18.        | Doreen Ahow and John Ahow<br>#261 Churchill Roosevelt Highway, Wallerfield, Arima | Same   |
| 19.        | Reuben Paul and Robinson Paul<br>Lot #10 Village, Parry Lands, Guapo              | Lot #4 Ward of La Brea                       |
| 20.        | Maria David and Jennifer David<br>Lot #207 Diamond Vale, Housing Project          | Sawme  |



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| No. | Name and Address  | Location                                    |
|-----|---|---|
| 21. | Carol Greaves<br>#20 Breadfruit Drive, Santa Rosa Heights, Arima                            | #14 Mc<br>Gillivary Street,<br>San Fernando |
| 22. | Altantic LNG Company of Trinidad and Tobago<br>Princes Court, Corner Keith and Pembroke St. | Point Fortin                                |
| 23. | Cyril Robain<br>Lot #3 Maracas Royal Road, St. Joseph                                       | Same  |
| 24. | Boxton Joel Mayers<br>#38 Haddaway Lands, Arima   | Same  |
| 25. | Anthony and Laura Franklin<br>#5 Dominica Avenue, Federation Park                           | Same  |
| 26. | Stella Beguesse<br>#7 Rienzi St. Mon Repos, San Fernando                                    | Same  |
| 27. | Amistad Investments Limited #25 Grenada<br>Avenue, Federation Park                          | Same  |
|     |   |   |
| 28. | Bhim and Parma Rampersad<br>ADQ 24 Rosseau St., Sangre Grande                               | Same  |
| 29. | Troy Miller<br>#21 Carnelian Gardens, Diamond Vale  | Same  |
| 30. | Leroy Seales<br>Southern Main Road, Chase Village Chaguanas                                 | Same  |
| 31. | Carlos Taylor, Carolyn Taylor<br>#53 Jade Gardens, Diamond Vale                             | Same  |
| 32. | Dennis Sucre<br>#67 Emerald Drive, Diamond Vale   | Same  |
| 33. | Mervyn Phillips<br>#38 Carnelian Gardens, Diamond Vale                                      | Same  |
| 34. | Errol Roger & Jerome Gay<br>#40 Carnelian Gardens, Diamond Vale                             | Same  |
| 35  | Melville and Petal Beard<br>#35 Trinidad Crescent, Federation Park                          | Same  |
| 36. | Farrel Davidson<br>Lot #280 Malabar Housing Scheme,   | Same  |
| 37. | Kayam and Susan Mohammed<br>#7 Palm Avenue, Petit Valley                                    | Same  |

| <b>No.</b> | <b>Name and Address</b>   | <b>Location</b> |
|------------|---|-----------------|
| 38.        | Sonny and Michelene Wills<br>#42 Carnelian Gardens, Diamond Vale      | Same            |
| 39.        | Byron and Ingrid Henriques<br>#5 Nevis Street, Federation Park        | Same            |
| 40.        | Michael and Seeta Rampaul<br>#4 Purbeck Crescent, Bel Air, La Romaine | Same            |
| 41.        | Andrew Williams<br>#16 Carnelian Gardens, Diamond Vale                | Same            |
| 42.        | Terrance Collins<br>#15 Carnelian Gardens, Diamond Vale               |                 |
| 43.        | Raphael John<br>#1 Little Cora Road, Cumuto                           | Same            |
| 44.        | Anarude Naipaul<br>#22 Bamboo Grove Land Settlement                   | Same            |
| 45.        | Russell O'Neil<br>Lot #189 Daimond Vale, Housing Project              | Same            |
| 46.        | Dattatreya Yoga Centre<br>4 1/2 mm, Aripo Road, Wallerfield, Arima    | Same            |
| 47.        | Vera Rattan<br>#3 Block #8, Churchill Roosevelt Highway               | Same            |
| 48.        | Sohan Ramdath<br>22 1/2 mm Naparima Road, Poole                       | Same            |
| 49.        | Ita Salima<br>Lopinot, Arouca   | Same            |
| 50.        | Navet Shiva Hindu Group<br>Land Situated in the Ward of Cocal         | Same            |
| 51.        | Beverly Charles<br>100 - 101 Monroe Road, Land Settlement             | Same            |
| 52.        | National Housing Authority<br>Boys Lane, D'abadie                     | Same            |
| 53.        | National Housing Authority<br>Land Situate at Mt. Hope                | Same            |
| 54.        | Pearl Albert<br>Lot #29 Bruce Road, Point Fortin.                     | Same            |
| 55.        | Augustine Brown<br>#27 Dinsley Severance, Tacarigua.                  | Same            |

*Written Answer to Question*

*Thursday, January 29, 2004*

| <b>No.</b> | <b>Name and Address</b>   | <b>Location</b> |
|------------|---|-----------------|
| 56         | Bayshore Med. Centre<br>#239 Western Main Road, Cocorite.                 | Same            |
| 57         | Eileen Veronica John<br>#3 Park Street, Hubertstown, Guapo, Point Fortin. | Same            |
| 58         | Francis Gilette<br>Commission Street, St David, Tobago.                   | Same            |
| 59         | Christian Trace Sadoo Road,<br>Manzanilla.                                | Same            |
| 60         | Andrew Damp<br>#17 Grenada Avenue, Federation Park.                       | Same            |
| 61         | Barbara Lashley<br>#9 Pipecorn, Carlsen Field.                            | Same            |
| 62         | Manoherlal & Jeevan Keerol<br>#3 Warren Street, St. Augustine.            | Same            |
| 63         | Merlene K. Chin<br>15B Flagstaff Hill, Long Circular Road, St. James      | Same            |
| 64         | Ram Mohan<br>#39 Mohan Street, Bamboo Settlement No. 2<br>Valsayn South.  | Same            |
| 65         | Edwina Leacock<br>#4 St. Kitts Avenue, Federation Park.                   | Same            |
| 66         | Edwin Carrington<br>#9 Antigua Drive, Federation Park.                    | Same            |
| 67         | Perceley Guerra<br>#139 Ecclesville Housing Project, Rio Claro.           | Same            |
| 68         | Mumtaz Mohammed<br>#252A Munroe Road, Land Settlement.                    | Same            |

| <b>No.</b> | <b>Name and Address</b>  | <b>Location</b> |
|------------|--|-----------------|
| 69         | St Eucherus Alexander<br>#413 Parakeet Terrace, Maloney Gardens,<br>D'Abadie.          | Same            |
| 70         | Terrance Barrath<br>#14 Ellerslie Park, Maraval.                                       | Same            |
| 71         | Michael Bristol<br>Lot #451 Techier Village, Point Fortin.                             | Same            |
| 72         | #57 Jade Gardens Diamond Vale Housing Project.   | Same            |
| 73         | Rolda Pierre<br>Lot #183 Seventh Street, Techier Village, Point<br>Fortin.             | Same            |
| 74         | John Supio<br>#70 Emerald Drive, Diamond Vale Housing<br>Project.                      | Same            |
| 75         | Dennis and Aquis Musgrave<br>#425 Diamond Vale Housing Project.                        | Same            |
| 76         | Rachael Campbell<br>#34 Immortelle Avenue, Malabar.                                    | Same            |
| 77         | Robert Kong<br>#1 Carnelian Gardens, Diamond Vale Housing<br>Project.                  | Same            |
| 78         | Michael Auguste<br>SPQ 45 Quapo Road, Fyzabad.   | Same            |
| 79         | Gwendolyn King<br>#8 Young Street, Hubertstown, Guapo.                                 | Same            |
| 80         | Ezekiel and Gracey Benjamin<br>#24 Carnelian Gardens, Diamond Vale Housing<br>Project. | Same            |

Written Answer to Question

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| <b>No.</b> | <b>Name and Address</b>  | <b>Location</b>                    |
|------------|--|------------------------------------|
| 81         | Judy Ann Villaroel<br>#16 Manick Street, Guaico, Tamana.                 | Same                               |
| 82         | Keith and Natalie Jaggernaut<br>SPQ 32 Alexander Street, Siparia.        | Same                               |
| 83         | Baldath and Derek Nandlal<br>SPQ St Mary's Road, Bonasse Village, Cedros | Same                               |
| 84         | Solomon Temple Limited<br>Wallerfield, Arima.                            | Same                               |
| 85         | Warnerville Grains Mills Limited<br>#258 Wallerfield, Arima.             | Same                               |
| 86         | Patricia and Donald Mootoo<br>#5 Chelsea Drive, Cascade.                 | Same                               |
| 87         | Sieudath Boodram<br>Marshall Trace Extension, Warrenville.               | Plot #6<br>Ward of<br>Chaguanas    |
| 88         | Kemkaran Chatoo<br>LP #270 Southern Main Road, Warrenville.              | Plot #7<br>Ward of<br>Chaguanas    |
| 89         | Wilbur Balgobin<br>#32 Arena Road, Freeport.                             | Plot #10<br>Ward of San<br>Raphael |
| 90         | Robert Joseph & Dianne Joseph<br>#1 Forest Avenue, Cocoyea Village.      | Plot #3A<br>Ward of Erin           |
| 91         | Mahadaye Seepersad<br>#49 Gopie Trace, Penal.                            | Plot #12<br>Ward of Erin           |
| 92         | Vishwanie Sirju & Bissoon Sirju<br>#6 Sirju Avenue, Gopie Trace, Penal.  | Plot #17A<br>Ward of Erin          |
| 93         | Hematie Nandlal<br>LP #55 Batchiya Trace, Penal.                         | Plot #27<br>Ward of Erin           |
| 94         | Olufemi Ogunsheye<br>#23 Silver Stream, Aripere Village, Rousillac.      | Plot #28<br>Ward of Erin           |

| <b>No.</b> | <b>Name and Address</b>  | <b>Location</b>          |
|------------|--|--------------------------|
| 95         | Mitchell Masterson & Shanti Masterson<br>#20 Seukaran Trace, Thick Village, Siparia. | Plot #30<br>Ward of Erin |
| 96         | Jamoonie Ramnansingh & Annan Ramnansingh<br>Rampagot Trace, Mendes Village, Siparia. | Plot #32<br>Ward of Erin |
| 97         | Denish Sankersingh<br>LP #443 Siparia Erin Road, Quarry Village,<br>Siparia.         | Plot #37<br>Ward of Erin |
| 98         | Edrick Gregory<br>#31 Quinam Road, Siparia.  | Plot #43<br>Ward of Erin |
| 99         | Roopnarine Boodoo<br>#2 Ramjohn Trace, Batchiya Village, Penal.                      | Plot #44<br>Ward of Erin |
| 100        | Jagdaye Deonath,<br>#59 Siparia Old Road, Avocat, Fyzabad.                           | Plot #50<br>Ward of Erin |
| 101        | Amarday Sagar<br>#49 Gopie Trace, Penal.   | Plot #53<br>Ward of Erin |
| 102        | Sagar Ramnath<br>#49 Gopie Trace, Penal.   | Plot #54<br>Ward of Erin |
| 103        | Balchan Singh & Sookdayah Singh<br>#5 Caratal Road, Bonne Aventure, Gasparillo.      | Plot #55<br>Ward of Erin |
| 104        | Ishwar Bhoolai<br>St. John's Trace, Avocat.  | Plot #66<br>Ward of Erin |
| 105        | Kashwar Basdeo<br>#10 St. John's Trace, Avocat.                                      | Plot #67<br>Ward of Erin |
| 106        | Lutchman Ramsawack<br>#26 Arena Village, Erin.                                       | Plot #13<br>Ward of Erin |
| 107        | Monica Joseph<br>#8 Lorensotto Trace, Rancho Quemado.                                | Plot #3<br>Ward of Erin  |
| 108        | Mervyn Baptiste<br>#8 Lorensotto Trace, Rancho Quemado.                              | Plot #4<br>Ward of Erin  |
| 109        | Rachael Singh<br>Coromandel Village, Cedros.   | Plot #30<br>Ward of Erin |

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| No. | Name and Address   | Location  |
|-----|--|---|
| 110 | Wendel Bobb<br>Renn Avenue, Bamboo Village, La Romain.   | Plot #39<br>Ward of Erin                                      |
| 111 | Suenadaye Ramdath<br>LP #52 Railway Road, Cunupia.   | Plot #17<br>Ward of<br>Chaguanas                              |
| 112 | Russel Sutton & Gillian Sutton<br>#29 Carnelian Gardens, Diamond Vale, Diego Martin.             | Same  |
| 113 | Donna Henry<br>#7B St. Ann's Gardens, St. Ann's  | Plot #7B Ward of<br>St. Anns                                  |
| 114 | Clifford Johnson & Catherine Johnson<br>#33 & #110 Mukdeen Food Gardens, Quarry Junction, Biche. | Plot #33 & #110<br>Ward of<br>Charuma                         |
| 115 | Janice Lopez-Willis & Nigel Willis<br>#12B St. Anns Gardens, St. Anns.                           | Plot #12B<br>Ward of St.<br>Ann's                             |
| 116 | Yolande Cumberbatch-Bobb & Keesha Miller<br>#5A St. Ann's Gardens, St. Ann's.                    | Plot #5A<br>Ward of St.<br>Ann's                              |
| 117 | Denmore Pilgrim & Peter Park<br>#220 North Star Avenue, Malabar.                                 | Corner Churchill<br>Roosevelt<br>Highway and<br>Demerara Road |
| 118 | Terrence Bharath,<br>#45 Moka Heights, Maraval.  | Plot #14<br>Ward of St.<br>Ann's                              |
| 119 | John Louis Joseph<br>#5 Dades Extension Trace, Tabaquite Road, Rio Claro.                        | Plot #5<br>Ward of<br>Charuma                                 |
| 120 | Arthur Lok Jack<br>#17 Cassia Drive, Lady Chancellor Road.                                       | Plot #17<br>Ward of St.<br>Ann's                              |
| 121 | Arthur Lok Jack<br>#17 Cassia Drive Lady Chancellor Road.  | Plot #<br>Ward of St.<br>Ann's                                |

| <b>No.</b> | <b>Name and Address</b>  | <b>Location</b>                      |
|------------|--|--------------------------------------|
| 122        | Arthur Lok Jack<br>#17 Cassia Drive, Lady Chancellor Road.             | Ward of St.<br>Ann's                 |
| 123        | Arthur Lok Jack<br>#17 Cassia Drive, Lady Chancellor Road.             | Plot #2<br>Ward of St.<br>Ann's      |
| 124        | Ruth Lambert and others<br>#11 Eight Street West, Cane Farm, Trincity. | Plot #256<br>Ward of Point<br>Fortin |
| 125        | National Housing Authority<br>Corner George & South Quay               | Diamond Vale                         |
| 126        | National Housing Authority<br>Corner George & South Quay               | Malabar Arima                        |
| 127        | National Housing Authority<br>Corner George and South Quay             | 6 <sup>th</sup> Avenue,<br>Barataria |