

*Leave of Absence**Tuesday, February 10, 2004***SENATE***Tuesday, February 10, 2004*

The Senate met at 1.30 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. Dr. Lenny Saith and Sen. Prof. Ramchand.

**SENATOR'S APPOINTMENT**

**Madam President:** I have received the following correspondence from his Excellency the President, Prof. George Maxwell Richards.

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency Professor GEORGE MAXWELL RICHARDS, T.C., C.M.T., Ph.D., President and Commander-in-Chief of the Republic of Trinidad and Tobago.

/s/ G. Richards  
President.

TO: MRS. JOAN HACKSHAW-MARSLIN

WHEREAS Senator Dr. Lenny Saith is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, GEORGE MAXWELL RICHARDS, President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, JOAN HACKSHAW-MARSLIN, to be temporarily a member of the Senate, with effect from 10<sup>th</sup> February, 2004 and continuing during the absence from Trinidad and Tobago of the said Senator Dr. Lenny Saith.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 6th day of February, 2004.”

**OATH OF ALLEGIANCE**

*Sen. Joan Hackshaw-Marslin took and subscribed the Oath of Allegiance as required by law.*

**WRITTEN RESPONSE TO QUESTION  
(OBJECTION TO)**

**Madam President:** Hon. Senators, on the last sitting of the Senate held on Tuesday, February 03, 2004 under the Agenda Item: “Questions to Ministers”, Sen. Wade Mark drew the attention of the Senate to the written response supplied for question No. 7 which was circulated to all the Senators. The question which was directed to the hon. Minister of Labour and Small and Micro Enterprise Development first appeared on the Supplemental Order Paper of December 16, 2003 and it reads as follows:

- “A. Could the Minister provide the Senate with the—
- (i) names;
  - (ii) addresses; and
  - (iii) occupations of all recipients of loans transactions issued by the National Entrepreneurship Development Company Limited since its launch in August 2002 to November 30, 2003?”

The reply received by the Clerk on January 23, 2004 and circulated to Senators on Tuesday, January 27 was as follows:

“The Freedom of Information Exemption Order 2003 published in Legal Notice No. 21 of February 20, 2003 exempts certain public authorities listed in the schedule from the application of the Freedom of Information Act. The National Entrepreneurship Development Company Limited (NEDCO) is included among the public authorities listed in the schedule. In those circumstances the information requested by the hon. Sen. Wade Mark, cannot be provided to the Senate.”

Sen. Mark objected to the reply and in supporting his objection stated, and I quote:

“Madam President, I have the Standing Orders before me and I want to refer to Standing Orders Nos. 15, 16, 17 and 18. I also have before me a copy of the Freedom of Information Act, which refers to applicants, not a Member of Parliament. This is the highest forum in the land, so I would like you to rule

on this matter because this is totally, from my perspective, out of order and should be withdrawn.

Sen. Mark further stated, and again I quote:

“Madam President, I would like to indicate that the Freedom of Information Act does not guide our business here, what guides our business is the Standing Orders and I think you should look at Standing Orders Nos. 15, 16, 17 and 18, and maybe in the next hour or hour and a half, you can rule on this matter, but I think this answer should be withdrawn and the Minister be requested in accordance with our Standing Orders, to supply the answer to the Senate of the Republic of Trinidad and Tobago. We are not guided by the Freedom of Information Act; that is for applicants, ordinary citizens, not me.”

After careful consideration, I am of the view that two fundamental issues have been raised. The first major issue is whether the Freedom of Information Act and orders of exemption made thereunder take precedence over the Senate's Standing Orders and, secondly, whether the presiding officer can compel any Minister of Government to answer a question or direct how a question should be answered.

I should deal with the issue of the Freedom of Information Act 1999 first. Section 56(1) of the Constitution of Trinidad and Tobago, Chap. 1:01 states:

“Subject to the provisions of this Constitution, each House may regulate its own procedures.”

It seems to me, therefore, that there are other provisions in the Constitution which can guide either House in regulating its own procedure. Section 39 of the Constitution which establishes the Parliament of the Republic of Trinidad and Tobago states:

“There shall be a Parliament of Trinidad and Tobago which shall consist of the President, the Senate and the House of Representatives.”

The power of Parliament to make law is stated in section 53 of the Constitution as follows:

“Parliament may make laws for the peace, order and good government of Trinidad and Tobago, so however that the provisions of this Constitution or (in so far as it forms part of the law of Trinidad and Tobago) the Trinidad and Tobago Independence Act 1962 of the United Kingdom may not be altered except in accordance with the provisions of section 54.”

The Freedom of information Act, 1999 is a law which was made by the Parliament of Trinidad and Tobago of which the Senate is a part. Since the

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Freedom of Information Act, 1999 is a form of primary legislation, the Standing Orders of the Senate are subordinate to such legislation.

**Sen. R. Montano:** Rubbish!

**Madam President:** Sen. Montano, are you questioning my ruling?

**Sen. R. Montano:** Madam President—

**Madam President:** Are you questioning my ruling?

**Sen. R. Montano:** No, Madam President. I am saying that it is wrong. I am not questioning your ruling.

**Madam President:** Sen. Montano, if you continue, I would have to ask to you leave.

**Sen. R. Montano:** Madam President—

**Madam President:** Sen. Montano, I am not finished, to start with.

Therefore, the Act would take precedence over the Orders.

I shall now turn to the matter of the answering of questions. Senators are aware that the established parliamentary procedure is that questions to Ministers are filed by Senators for either oral or written answers, and the Minister to whom the question is directed, responds orally or in writing as the case may be. Written replies are circulated to all Senators when received. Senators are also aware that this is done in accordance with the provision of Senate Standing Orders 15, 16, 17 and 18. Standing Order 18(4) states:

“A Minister may decline to answer a question, if the publication of the answer would in his opinion be contrary to the public interest.”

The second paragraph on page 302 of May’s *Parliamentary Procedure*, 22<sup>nd</sup> edition, is also quite clear when it says, and I quote:

“An answer to a question cannot be insisted upon, if the answer be refused by a Minister, and the Speaker has refused to allow supplementary questions in these circumstances. The refusal of a Minister to answer a question on the ground of public interest cannot be raised as a matter of privilege, nor should leave be sought to move the adjournment of the House under Standing Order No. 24 for this reason.”

It is therefore quite clear to my mind that I cannot compel a Minister to provide an answer or direct any Minister how to answer a question. Accordingly, the reply to Senate Question No. 7 which was circulated on January 27, 2004, stands.

**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, 1988. [*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, 1989. [*Sen. The Hon. C. Enill*]
3. Sixth Actuarial Review of the National Insurance System of Trinidad and Tobago as at June 30, 2003. [*The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams)*]
4. The Agreement signed between the Government of the Republic of Trinidad and Tobago and Repsol YPF, S.A., on December 11, 2003. [*Sen. The Hon. J. Yuille-Williams*]
5. Annual audited financial statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the financial year ended March 31, 2000. [*Sen. The Hon. C. Enill*]
6. Annual audited financial statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the financial year ended March 31, 2001. [*Sen. The Hon. C. Enill*]
7. Annual audited financial statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the financial year ended March 31, 2002. [*Sen. The Hon. C. Enill*]
8. Annual audited financial statements of Trinidad and Tobago National Petroleum Marketing Company Limited for the financial year ended March 31, 2003. [*Sen. The Hon. C. Enill*]
9. Report of the Elections and Boundaries Commission on the Local Government Elections held on Monday July 14, 2003. [*Sen. Rawle Titus*]

**ORAL ANSWERS TO QUESTIONS**

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

- 22. Sen. Wade Mark** asked the hon. Minister of Works and Transport—  
Could the Minister 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?

**The Minister of Works and Transport (Hon. Franklin Khan):** Madam President, in answer to (i), the outstanding sums of moneys owed to contractors for works done under the PURE programme as at December 31, 2003 total \$45,013,883.20.

In reply to (ii), details of the sums of moneys owed are as follows:

Trinity Pavers	\$5,800,059.68
Seereeram Bros. Ltd.	\$6,569,122.61
Jusamco Pavers	\$6,580,041.19
Coosal's Construction	\$2,890,605.40
Dipcon Engineering	\$3,581,455.96
Moonan Engineering	\$1,640,239.81
Sunco Engineering Ltd.	\$824,591.13
Carib Asphalt Pavers	\$1,026,350.92
Patrick Gordon Construction	\$1,766,136.67
Lutchmeesingh Transport	\$3,277,692.15
Universal Projects Limited	\$672,175.00
Martineau Construction	\$434,111.72
Warner Construction	\$939,582.06
J. C. Contractors	\$115,899.00
Geo Services	\$292,204.00
Paharry Hardware	\$210,674.90
Eastern Engineering	\$305,101.51
Ali Meah-John	\$3,922,219.81
West and Associates	\$93,218.55
Haniff Mohammed and Sons	\$1,009,616.26

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Saiscon Limited	\$697,440.93
Ricon Limited	\$102,597.48
Sebek Construction	\$126,661.17
Gortoy Construction	\$575,432.14
Bencon	\$907,065.01
Ragoonanans Transport	\$954,811.19

During the month of January 2004, the sum of \$3,147,410.04 was paid to Contractors under the PURE Programme as follows:

Moonan Engineering	\$256,105.00
Jusamco Pavers	\$758,186.51
Ragoonanans	\$495,304.96
Bencon	\$607,065.00
Sebek Construction & Maintenance Services Ltd.	\$234,922.50
J. C. Contractors	\$77,219.11
Trinity Pavers	\$261,420.51
Dipcon Engineering	\$172,736.84
Lutchmeesingh Transport	\$284,449.61

**Sen. Mark:** Madam President, through you, could the hon. Minister indicate to this Parliament what were some of the factors responsible for late payments? Seeing that he has indicated to us that \$3 million out of the \$45 million still outstanding has been paid—we are talking about an outstanding sum of \$42 million still owed to these contractors—could the hon. Minister indicate to this Senate what is the time frame that the Government would utilize to meet their financial obligation to these contractors?

**Hon. F. Khan:** Madam President, obviously, it is the intention of the Government to have a fast cycle time for the processing of invoices and the payments for work done. Most of the outstanding sums are in a very advanced stage of preparation. The basis for a lot of the delays had to do with variations to the contracts, additional work that needed to be verified with the consultants and the engineers and to re-enter the whole processing cycle. But I must say we are

very much advanced. I cannot give the exact time for all to be cleared, but I think within the next month or two most of these outstanding payments will be cleared.

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, the responses to questions Nos. 30 and 31, both by the hon. Minister of Labour and Small and Micro Enterprise Development, are not available to me at this time and the hon. Minister is absent. I regret very much that we are not able to give a response to that question. I know it was deferred at some time, but that information is not available.

**Madam President:** Yes, I think it was deferred to this week. Is it that the Minister did not know that he was supposed to be here?

**Sen. The Hon. J. Yuille-Williams:** He is not available to the Senate at this time.

**Sen. Mark:** Madam President, I think it is a disrespect to this Parliament. It is on record, based on your intervention; you ruled that the question ought to be answered this week, and now we are being told by the hon. Acting Leader of Government Business that the Minister is not available. I think it is totally disrespectful; it is unacceptable and I would say that you should rule that we find the Minister of Labour and Small and Micro Enterprise Development and let him come here, and we are prepared to allow him to answer the question some time later in the proceedings.

**Madam President:** Minister, my ruling last week was that this question should have been answered this week. I asked Dr. Saith to ensure that the answer be brought here this week and, therefore, I must say that I am a bit disappointed that that is not so, that the Minister is not here and that the answer is not available. Under the circumstances, I think, Sen. Mark, we would just have to ask for a deferral of one more week.

**Sen. R. Montano:** No! Contempt of Parliament, Madam President!

**Sen. Mark:** Madam President, I am very disappointed and I believe that this has to be decided today. I think that the Government has an obligation to listen and to observe your rulings and I believe it is total disrespect for the Chair and for the Parliament based on the behaviour of the Government, having regard to the fact that these questions have been outstanding since December. In fact, they were filed in October and they were supposed to be answered in December. So I believe that the Minister of Labour and Small and Micro Enterprise Development ought to be located—he is in the country—and let him come to the Parliament.  
[Desk thumping]

**Sen. The Hon. J. Yuille-Williams:** All I can say is that I regret the fact that the answers are not here. I was not aware that the answers had not been brought to the Senate this afternoon.

**Madam President:** If we got the answers, could somebody else give the answers?

**Sen. The Hon. J. Yuille-Williams:** I want to believe, from the information I have here, that it is being prepared. The answer has to be approved before it gets to the Parliament and from what I am seeing here it was not approved as yet. But the Minister is not available to stand here this afternoon—

**Sen. R. Montano:** What do you mean he is not available? This is the Senate!

**Madam President:** Wait, please. Sen. Montano, if anybody has to ask questions, I would ask them, please.

Madam Minister, are you saying that the answer is not ready and the Minister therefore cannot come to give the answer?

**Sen. The Hon. J. Yuille-Williams:** The Minister is not available and normally sometimes I may get, when I arrive here, a copy of the answers. It is not here this afternoon and I am very sorry about that. I have looked through the files and it is not here.

**Madam President:** Well, hon. Members, the Acting Leader of Government Business is saying that she does not have the answer to the questions at her disposal and she is not aware of where the Minister might be at this time.

**Sen. R. Montano:** You are making excuses for them!

**Madam President:** Sen. Montano, I am not going to tolerate your outbursts any longer. I am putting the facts as the Minister has just stated. Hon. Members, I am now going to ask you the question: Do we try to locate the Minister at this point?

**Sen. R. Montano:** Yes! [*Desk thumping*]

**Sen. Dumas:** Madam President, I do not know what we think would be served, but I think in normal industrial relations practice in this country any worker who is absent for a day is given time to decide where he is. I do not know any place of employment in this country in which you go out searching for a worker.

**Sen. The Hon. J. Yuille-Williams:** Could I ask that we defer this answer for a little later to see what happens?

**Madam President:** All right. The Acting Leader of Government Business has said that she would try to locate the answer and maybe later in the proceedings, once she gets it, we would be able to give it. Is that acceptable, Senators?

*Assent indicated.*

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

**Sen. R. Montano:** And, Madam President, if she does not get it?

**Madam President:** We will cross that bridge when we come to it.

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

**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?

*Questions, by leave, deferred.*

**DEFINITE URGENT MATTER  
(LEAVE)**

**Demolition of Cashew Gardens Houses**

**Madam President:** Hon. Senators, I have received correspondence from Sen. Sadiq Baksh seeking leave to raise a matter of definite, urgent, public importance

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on the following matter: The demolition of over 70 houses at Cashew Gardens, Carlsen Field, Chaguanas. I have considered the matter carefully and I am of the opinion that it does not qualify under that Standing Order, but that it can be properly raised under Standing Order 11 at the next sitting of the Senate.

**Sen. Baksh:** Thank you, Madam President. I will be guided. I am disappointed but I will raise it at an appropriate time.

**JOINT SELECT COMMITTEE  
(APPOINTMENT TO)**

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I beg to move the following Motion:

That the following six Senators be appointed to serve with an equal number from the House of Representatives on the joint select committee to be established for the purpose of considering broadcasts of full debates and the business of both Houses to be transmitted to the public through the electronic media, television and radio, in an equitable and discreetly edited form on fixed days of the week and with such transmission to begin before the end of the year 2004.

Sen. The Hon. Danny Montano

Sen. The Hon. Christine Kangaloo

Sen. The Hon. Mustapha Abdul-Hamid

Sen. Robin Montano

Sen. Carolyn Seepersad-Bachan

Sen. Mary King.

*Be it further resolved* that the joint select committee be mandated to report back to Parliament so as to facilitate Government action, by June 30, 2004.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That the following six Senators be appointed to serve with an equal number from the House of Representatives on the joint select committee to be established for the purpose of considering broadcasts of full debates and the business of both Houses to be transmitted to the public through the electronic

*Joint Select Committee*  
[SEN. THE HON. J. YUILLE-WILLIAMS]

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Media, television and radio, in an equitable and discreetly edited form on fixed days of the week and with such transmission to begin before the end of the year 2004.

**2.00 p.m.**

**PUBLIC ACCOUNTS COMMITTEE  
(APPOINTMENT TO)**

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I beg to move the following Motion:

*Be it resolved* that this Senate appoint Sen. Basharat Ali to replace Ambassador Christopher R. Thomas on the Public Accounts Committee.

*Be it further resolved* that this Senate also appoint Sen. The Hon. Howard Chin Lee to replace Sen. Pundit Maniedeo Persad on the Public Accounts Committee.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That this Senate appoint Sen. Basharat Ali to replace Ambassador Christopher R. Thomas on the Public Accounts Committee.

*Further resolved:*

That this Senate also appoint Sen. The Hon. Howard Chin Lee to replace Sen. Pundit Maniedeo Persad on the Public Accounts Committee.

**ARRANGEMENT OF BUSINESS**

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I beg to move that the House of Representatives amendments to the Mediation (No.2) Bill, 2003 listed in Appendix II, be deferred to later on in the proceedings.

*Agreed to.*

**NATIONAL INSURANCE (AMDT.) 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 the Bill to amend the National Insurance Act, Chap. 32:01, be read a second time.

The Bill before this honourable House was passed in the other place with amendments. In addition to outlining the general philosophy behind the Bill, the Government would also provide hon. Members with the thinking which influenced the amendments made in the Lower House. This Bill incorporates the key recommendations of the *Sixth Actuarial Review of the National Insurance System* and examines the state of the National Insurance Fund as at June 30, 2000.

The package of amendments that the Government brings before this honourable House is premised on the following guiding principles:

- (1) The preservation of the self-financing nature of the National Insurance System.
- (2) The maintenance of the value of contributions already paid.
- (3) An enhancement of the value of benefits in real terms.
- (4) The long-term viability of the National Insurance System.
- (5) The universality of coverage.
- (6) The redistribution of income from the higher-income earner to those with more modest earnings.
- (7) The pooling of risks to ensure that hiring premiums are not imposed on individuals whose risks are considered high due to age or ill-health.

The recommendations of the actuary were approved unanimously by the National Insurance Board, which, as you know, is made up of business interests, the unions, and the Government. The Government therefore supports:

- Payment of a guaranteed minimum retirement pension of \$1,000 per month to persons whose contribution record would otherwise entitle them to a monthly pension of less than \$1,000 per month. This measure would benefit some 49,000 retired pensioners.
- Increasing the child benefit to \$320 per month per child of a deceased insured parent. Previously, these children would have been entitled to between \$15.00 and \$72.90 per month, based on the contribution record of the deceased insured parent. This measure has benefited 5,283 children who are recipients of child allowance under the survivor's benefit provision.
- Increasing the Maternity Grant from \$1,000 to \$2,000.

- Increasing the Funeral Grant from \$2,000 to \$4,000.

Madam President, the National Insurance Board has assured me that the necessary systems and controls have already been put in place to accommodate these new improvements to our National Insurance System. When compared to the same period in the year 2002, these improvements in benefits for the three-month period, October to December 2003, have resulted in an increase of 160 per cent in benefit expenses for retirees from \$59.6 million to \$155.1 million. The effect of this single measure has resulted in approximately \$350 million per annum in the hands of our pensioners. On the assumption that pensioners are consumers and consumers would spend 76 per cent of their income, pensioners as a group could spend an additional \$270 million a year in goods and services.

On the other hand, the Child Allowance payments have been increased by as much as 200 per cent in the comparative two-month period from \$1.1 million to \$3.3 million or an increase of \$2.2 million.

The legislative package also includes an increase in the income insured by the National Insurance Board from the current ceiling of \$3,510 per month to \$4,377 per month with effect from March 01, 2004. The last time the income ceilings were increased was in 1999. This increase is in the order of 24 per cent and its purpose is to maintain the real value of the insured income. The overall rate of contribution would also increase by 1.5 per cent over the next three years commencing from March 01, 2004, from 8.4 per cent of insured earnings to 9.9 per cent of insured earnings.

These increases in the contributions schedule are expected to yield a total increased income of \$42.89 million for the three months from March to June 2004; \$109.81 million for the year ending June 30, 2005 and \$121.31 million for the year ending June 30, 2006 at 9.9 per cent.

The objective of phasing in the increases in the contribution rate is to soften the immediate impact that these increases may have on employers who pay two-thirds of the contribution and the workers who pay the other one-third. Accordingly, the contribution rate would increase in total as follows:

- from 8.4 per cent to 8.7 per cent on March 01, 2004, an increase of 0.3 per cent;
- then to 9.3 per cent on January 03, 2005, an increase of 0.6 per cent;
- and finally to 9.9 per cent on January 02, 2006.

Notwithstanding the increase in the contribution rate, the new contribution tables would have the effect of reducing the actual contribution to be paid in respect of employees with the lowest incomes. Part-time domestic workers with earnings of \$100 to \$160 per week would realize a total reduction in weekly contributions of \$1.68 or 12 per cent from March 01, 2004.

Even in the third year, when the contribution rate is increased to 9.9 per cent, these workers and their employers would still be contributing 1 per cent less than they currently pay. The total contributions of workers who earn between \$620 and \$710 weekly would be reduced slightly by 09 cents in 2004, and increased, marginally, from January 06, 2006 by \$2.63 for the employee and \$5.26 for the employer.

Madam President, even with the rate of contributions increasing to 9.09 per cent in 2006, Trinidad and Tobago would remain among the lowest contributors in this part of the world.

By way of comparison, I wish to refer briefly to some contribution rates in other jurisdictions. In Trinidad and Tobago, an employer pays 5.6 per cent as compared with 8 per cent in Barbados; 4.53 per cent in Mexico; 12.8 per cent in the United Kingdom; 9.9 per cent in Germany; 4.9 per cent in Canada, and as much as 20 per cent in Singapore. In addition, where an employee would pay 2.8 per cent in Trinidad and Tobago, an employee in Barbados would pay 7.25 per cent; 10.73 per cent in Mexico; 11 per cent in the United Kingdom; 4.9 per cent in Canada; and 16 per cent in Singapore. The combined employer/employee contribution in Trinidad and Tobago is 8.4 per cent; 15.25 per cent in Barbados; 15.26 per cent in Mexico; 9.9 per cent in Canada and 36 per cent in Singapore. Our combined contribution rates therefore, when benchmarked against a number of countries, allowed us to be extremely competitive in this social sector benefit.

At the same time, there would be a 24 per cent increase in benefits from March 01, 2004 for persons who claim maternity, sickness, injury and disablement benefits, and medical expenses. In addition, the requirement that a woman must lose earnings in order to qualify for the 13-week maternity benefit would no longer apply with effect from March 01, 2004.

The Bill before this House also seeks to eliminate an aspect of gender discrimination that has existed in the system from its inception in 1972, by equalizing the qualifying conditions for the widows and widowers benefits, as well as simplifying the qualifying conditions. All persons who become eligible to receive the widows or widowers benefit from March 01, 2004, would be paid a pension for life or until marriage, regardless of age, medical condition or

existence of dependent children. Existing recipients of this benefit would receive a 24 per cent increase on the basic pension and an increase of 112.8 per cent on the incremental portion of their current benefit.

Madam President, the increase in the contribution rates over the next three years is merely 1.5 per cent, particularly, when one compares this with the more significant 24 per cent increase in benefits together with the other increase for the insured population already implemented in October and November 2003.

Workers have been contributing to the National Insurance System since 1972. Unless the Government take steps to protect these contributions from the effects of inflation, the benefits they obtain at retirement would be meaningless. For this reason, the legislation includes a series of tables that effectively revalue past contributions in order to compensate for inflation so as to ensure that, upon retirement, the benefits purchased would not only be meaningful but would also give superior value for money. Together with the increased value given to contributions made prior to the year 2004, contributions in excess of 750 would also enjoy an enhanced value.

The result is that the value of pension increments would increase by approximately 112.8 per cent in classes 1 to 12. The effect of this would be to further enhance the value of pension benefits as the system matures. Simply put, the longer a person contributes, the better the pension earned.

The National Insurance Board has proposed to retain its retirement age at 60 years for the time being because of the relative health of the National Insurance Fund. However, it should be noted that the trend in both developed and developing countries is to move to a retirement age of 65 years, or to increase the retirement age beyond 65 years. Quite frankly, Madam President, people are living longer and our systems of support must respond.

These global trends are mainly in response to demographic developments related to the increasing social protection costs as a result of increasing longevity and reduced fertility. So they are increasing on the one hand and we have reduced fertility on the other hand. For example, Barbados, in attempting to reform its pension system, is actively pursuing changing the retirement age to 67 years as well as increasing contribution rates. Further afield, countries such as Austria, France, Japan and Sweden are adopting various reform measures to ensure sustainability of their respective systems, including a 40-year period of contributions in one of those countries.

The measures to be authorized by this legislation would therefore ensure the long-term viability of the National Insurance Fund; guarantee the maintenance of

a package of meaningful benefits, and contain the cost of social security to future generations of workers—a critical issue facing social security systems worldwide.

Madam President, the recommendations for changes to contribution conditions and benefit levels were made, having regard to two main principles:

- (1) To provide benefits under the National Insurance System which are sufficient to maintain a reasonable standard of living for beneficiaries.
- (2) To maintain sound finances for the National Insurance System in the medium to long term, in the light of the expected aging population structure in the future and the attendant increased cost of benefits.

Both principles are designed to ensure that the National Insurance System remains relevant and provides value to current and future contributors.

This Government is also taking the opportunity to provide for better administration of the National Insurance System. An essential ingredient to the efficiency of the system is the quality of the records that the National Insurance Board receives from employers. When employee contribution records are submitted to the board without the employee's national insurance number, or with an incorrect national insurance number, it becomes very difficult and costly to conduct the investigations that are necessary to assign contributions to the correct employee. The National Insurance Board currently advises employers of the correct national insurance number to use, but in too many cases, corrective action is not taken on a timely basis, or worse, in some instances, not at all by the employer.

Madam President, I now turn to the cost of administering the National Insurance System. Originally, the legislation in 1972 provided for a cap on administrative expenses at 9.5 per cent of contribution income. In 1999, this cap was removed and replaced by a provision for the Minister to determine a limit, based on advice from the actuary. The Government intends to maintain this provision. It must be noted, however, that the National Insurance Board has been quite successful in reducing and containing its administrative expenditure by making the system more efficient. Administrative expenditures as a ratio of contribution income in recent years were as follows:

For the year ended June 2000, it was 7.14 per cent.

For the year ended June 2001, it was 6.62 per cent.

For the year ended June 2002, it was 7.70 per cent

For the year ended June 2003, it was 6.90 per cent.

The performance of the social security system as administered by the National Insurance Board compares favourably with similar systems throughout the world. For instance, in Chile, with a contribution rate of 12.44 per cent, administrative expenses as a percentage of contribution income are 19.61 per cent. In Mexico, the contribution rate is 15.26 per cent with comparable administrative expenses of 29.68 per cent. In Peru, the contribution rate is 11.73 per cent as compared with the administrative expenses of 31.80 per cent. Closer to home, Madam President, in Dominica, the contribution rate is 10.00 per cent, with administrative expenses of 15.53 per cent. In St. Vincent and the Grenadines, the contribution rate is 6.00 per cent, as compared with administrative expenses of 18.02 per cent. Of course, in Trinidad and Tobago the contribution rate is 8.4 per cent compared with administrative expenses of 6.9 per cent.

Madam President, I wish to place on the record the work of the National Insurance Board in its quest to improve the quality of service to its customers.

The strategic plan of the National Insurance Board was reengineered to achieve a new customer-focused, performance-driven organization, consistent with the objectives of this Government whose priority is to improve the quality of life for all its citizens. This strategic focus is directed at a number of deliverables, including: enhancing the products and services provided under the National Insurance System; providing greater value to contributors and beneficiaries; expanding national insurance coverage to self-employed persons; improving its office accommodation; and improving its service through the magnetic and electronic media.

The National Insurance Board has also focused its attention on reducing the processing time for all claims. One objective that was set was the reduction of the turn-around time for the payment of Funeral Grants from two weeks to within one day. This target has been met and even exceeded, with 95 per cent of the payment of such claims being effected within one hour. Madam President, as a nation, we can achieve success when we focus on a measurable objective.

In order to achieve financial sustainability, a critical ingredient is the investment policy, given that returns on investment have the greatest impact on the viability of the National Insurance Fund. In this regard, steps have been taken by the Board to ensure the implementation of a new investment policy and the diversification of the investment portfolio to facilitate higher returns, and the payment of continuing enhanced benefits. Hand in hand with these initiatives is the question of data integrity.

The issue of correct data on its customers is always critical to service organizations, particularly, social insurance systems that represent the only source of income for many of our pensioners. To this end, the National Insurance Board has been working with employees and their employers to update the contribution data. Having accurate information would not only reduce the time frame for paying long-term benefits but would also allow insured persons to access their contribution records on a timely basis.

Madam President, of the 37,772 claims available for processing in the 2002/2003 financial year, 34,687 claims, or 92 per cent, were determined, leaving an outstanding claims figure at year end of 3,112, or 8 per cent of the total claims figure. Recognizing the importance of these benefits to its customers, the National Insurance Board is continuing with its efforts to reduce this number in its overall plan to deliver a more efficient service to the citizens of Trinidad and Tobago.

Under the existing national insurance legislation, the age of retirement is 65 years, with provision made for insured persons to access their pensions between the ages 60 and 65 years where such persons have, in fact, retired. Those persons must, nevertheless, notify the National Insurance Board by way of an application in which the employer must certify that such persons are no longer employed.

With respect to persons approaching the age of 65 years, the National Insurance Board has also implemented an automated system that generates letters to potential pensioners between three to six months, prior to their 65<sup>th</sup> birthday. Potential pensioners are invited to apply for their retirement benefits and to confirm the information on their contribution records, bringing any discrepancy to the attention of the National Insurance Board. This system aims at ensuring that correct and complete records are established for those persons and that their pensions are paid in the month in which they first become due. This, of course, is another improvement in the customer service imperative.

Madam President, I now turn to the question of value. An examination of the contributions paid in the highest and lowest classes from the inception of the National Insurance System to December 31, 2003, indicates the following:

- From 1972, when the National Insurance System was first introduced, up to 1980, the lowest employee contribution in Class I was zero, and the highest was \$2.45.
- From 1980 to 1999, an employee's lowest contribution in Class I was \$1.10, and the highest was \$6.45.

- From 1999 to 2003, an employee's lowest contribution was \$2.93, and the highest contribution was \$22.68.

A person contributing in the highest class from the inception of the National Insurance System would have contributed a maximum of \$12,855.96 up to December 31, 2003. It means, therefore, that with a pension of \$1,000 per month, any person retiring from January 2004 would recover his entire contribution to the system within 13 months. It means, Madam President, that with the introduction of this \$1,000 per month, persons retiring last month would recover their entire contributions within 13 months. This pension would be paid for life and, upon the pensioner's death his dependants would also receive benefits based on the insured's contributions.

Madam President, because there has been some different understanding about the National Insurance System, I wish to present two cases to illustrate the point that our social security system provides value for money. Based on the referenced contribution rates, our Case I labourer who retired in 1977 after five years of contributions and whose national insurance contributions, together with that of his employer, amounted to \$941.19 would have received \$48,119.78 in retirement benefits payments, in the lowest class, up to his death in February 2002. In addition, his survivors would have received \$2,600 for the period March 2002 to December 2003 and are still receiving payment.

An analysis of this information shows that the labourer's principal was repaid in four months, and that both labourer's and employer's principal were repaid in 11 months. Over the 30-year period from 1972 to 2002, the annualized lifetime yield on the investment of our Case I labourer was 7.74 per cent.

### **2.30 p.m.**

In our Case II—the manager, a professional—the contributions from employee and employer were paid continuously at the highest rate from 1972 until retirement in August 2003 and amounted to \$37,139.04. The retired manager/professional received \$1,191.40 in retirement pension up to September 2003 and if \$1,000 were to be paid monthly for the next 16 years, the total sum paid to the client would be approximately \$190,000. The retiree's principal would have been repaid in 1.03 years and the total amount paid by both the employer and employee repaid in 3.1 years. The annualized lifetime yield on total contributions would be 8.29 per cent.

Madam President, it is clear the National Insurance System is working. In looking at this result it is also necessary to remember that the total contribution

paid is used to fund several benefits as follows: 8.5 per cent of the contribution is placed in the Long Term Benefits Fund to pay retirement survivors and invalidity pensions; 9 per cent of the contributions is placed in the Short Term Benefits Fund to pay for sickness, maternity benefits and funeral home grants, and 6 per cent is placed in the Employment Injury Benefit Fund to pay for injury, disablement, widows, children's and parents benefits together with medical expenses which include fees for general practitioners, specialists, operations, prosthetics, travelling and constant care.

Madam President, I will now provide details of some of the most significant changes proposed in the Bill before this honourable House. At clause 3 of the Bill the definitions "paid apprentice and unpaid apprentice" have been amended. These amendments are necessary having regard to the increases in the minimum wage from \$7.00 per hour to \$8.00 per hour. In fact, the recommendations of the NIB actuary are that the lower limit of the insured earnings should be raised to \$433 per month. This recommendation translates to \$100 for every national insurance week, which runs from Monday to Sunday.

Clause 6 of the Bill proposes to amend section 28 of the Act by substituting a new definition for the expression "domestic worker". The present definition provides for the capacity and the premises in which a domestic worker is employed, to be prescribed.

In order to allow for more complete definition without having to resort to regulations to be prescribed so as to determine the capacity and premises, it is recommended that the definition be all encompassing to read as follows:

"Domestic worker' means a person employed otherwise than for the purpose of a trade or business who performs services for the comfort or convenience of a household or in or about a dwelling-house or such other premises occupied by or under the control of the employer and includes such employed persons as may be prescribed."

Madam President, the inclusion of the words "and includes such other persons as may be prescribed" is not intended to extend the general definition of what is understood by the expression "domestic worker". The regulations merely prescribe examples of what types of persons will be considered domestic workers for the purposes of the Act. Such persons include persons employed as a maid, cook a yardman. It should be noted that these persons are already specified in the existing regulations and as such, would normally be required to register themselves under the National Insurance System. The amendment at clause 7 of

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the Bill would affect persons who are required to be registered under this system of national insurance.

Under section 29 of the Act, the following persons are required to be registered: all employers other than employers of domestic workers or casual workers. As I mentioned earlier the onus is on domestic workers or casual workers to register themselves.

Employed persons and unpaid apprentices. This list of persons has not been altered. However, there are certain categories of persons who are regarded as being engaged in uninsurable employment and as such, are not required to be registered under the National Insurance Act. These persons include persons whose remuneration from employment is less than \$80 per week.

In the Bill, in relation to section 29(a) of the Act, this threshold has been increased from \$80 per week to \$100 per week as a result of the increase in the minimum wage to \$10 at the consequential actuarial adjustments. However, a person who continues to be employed on March 01, 2004, earning less than \$100 would continue to be treated as an employed or insured person for the purposes of the National Insurance Act.

Uninsurable persons will also include diplomats who are not subject to our social security laws and persons employed by international organizations that have social security plans that the person participates in.

Madam President, the National Insurance Board has discovered that the contribution records of persons who were registered while they were in school are usually more accurate and complete as opposed to persons who are registered at the commencement of their employment. Once students are registered in a school environment it provides the board with an opportunity to inform and educate them about their rights and obligations under the system. This works to the board's benefit in that upon entering employment, these persons can provide their national insurance numbers to their employers and contributions paid on their behalf can be correctly allocated. In light of this, it is proposed that clause 16 of the Bill introduce a new provision which would allow the board to register unemployed persons over 16 years of age where it deems it necessary to do so.

This amendment is not in contravention of the Children Act. In the other House an amendment was made to restrict the board from registering persons who were over 60 years. However, the intention of this proposal is to allow the board to register persons under the age of 18. In addition, persons who have worked abroad until age 65, and are employed after age 65, although these persons will

not be entitled to the retirement pension, they should be eligible for injury benefits in which case they would need to be registered. It is therefore proposed that the limitation of 60 years be deleted. At a later time in the proceedings I would propose the relevant changes to be made to this clause.

Clause 8 of the Bill would amend section 30 of the Act, which outlines the procedure for registration. At present, although there is an obligation placed on domestic workers and casual agricultural workers to register, these workers normally do so long after the date of their first employment. This amendment seeks to implement a time frame within which a domestic or casual agricultural worker must:

1. Apply to the board for registration;
2. Provide his employer with his registration number; and
3. Notify the board of any change in employer or employment.

In keeping with Government's Vision 2020 of greater efficiency, the board is presently considering the implementation of a multifunctional electronic national insurance card which would be used for registration and other purposes under the Act. The system of issuing national insurance registration cards is already required by the existing law. The proposed amendments to the existing section 30A of the Act, by the inclusion of the words: "in such form and containing such information as the Board may determine", is intended to allow the board the flexibility to change the information on the card as required by the system. This amendment is to be found in clause 9 of the Bill.

Clause 11 of the Bill would amend sections 38(1) of the Act by deleting the words "Table A" and substituting the words "Table A1, A2 and A3". The replacement Tables A1, A2 and A3 are reflective of the three-year increase in contribution rates from 8.7 per cent to 9.9 per cent. This increase in contribution rates is necessary to cover the increase in expenditure arising from increased benefits and to address projected increases in costs, which the board would face as the age profile of the population increases. Under Table A1, an increase to 8.7 per cent in the contribution rates would be effective from March 01, 2004 to January 03, 2005. Under Table A2 an increase to 9.3 per cent in contribution rates will be effective from January 03, 2005 to January 01, 2006. And under Table A3 the increase to 9.9 per cent would become effective from January 02, 2006.

Madam President, clause 16 of the Bill amends section 46 of the Act and provides, among other things, for the elimination of gender discrimination and the

promotion of equity in the National Insurance System by equalizing the qualifying conditions for widows and widowers benefits and simplifying the qualifying conditions. In addition, all persons who became eligible to receive a widow or widowers benefit from March 2004, would be paid a pension for life or until remarriage, regardless of age, medical condition or existence of dependent children.

Finally, at clause 18 of the Bill, section 54A of the Act, would be amended among other things, to provide for the revaluation of contributions paid since 1972 in accordance with tables provided by the actuary. This is necessary to maintain the contribution made in real earning terms so as to compensate for inflation and to ensure that upon retirement the benefits paid are meaningful and give superior value for money. The recommended increase in the retirement pension, invalidity pension and survivors benefits as contained in Part I of the reference table has also been provided for in the amendments to section 54A of the Act.

The actuary's recommendation that contributions made in excess of 750 payments used in the calculation of pension increments should be increased by approximately 112.8 per cent in classes 1 to 12 are contained in Part 3 of the reference tables. The amendment to section 54A would also provide for all persons qualifying for injury, disablement or death benefit on or after March 01, 2004 will be paid at the increased rate of benefit in accordance with the table provided by the actuary. A minimum change allowance of \$320 per month would also be paid to each child of a deceased insured, an allowance of \$640 to a child with two deceased insured parents.

Madam President, the National Insurance System of Trinidad and Tobago provides comprehensive cover for approximately 330,000 workers. Over 100,000 persons receive benefits from the National Insurance Board every month. This legislation is an important segment of Government's Vision 2020 objective in that it seeks to assure workers and their dependents that a mechanism exists to adequately compensate them for loss of earnings caused by sickness, job injury, invalidity, pregnancy, death and retirement.

The National Insurance System continues to be a premier—

**Sen. Seetahal:** You said a while ago that over 100,000 persons receive benefits per month. Earlier on you had said that there were 37,000 claims in one year. When you talk about 100,000 are you talking about pensions or—? I want to make sure it is not claims; it is just the persons who receive—

*The hon. Minister nodded in agreement.*

**Sen. The Hon. C. Enill:** Madam President, this legislation is an important segment of the Government's Vision 2020 objective in that it seeks to assure workers and their dependents that a mechanism exists to adequately compensate them for loss of earnings caused by sickness, job injury, invalidity, pregnancy, death and retirement.

The National Insurance System continues to be a premier anti-poverty programme through its income maintenance provisions and contributes to the promotion of human dignity, equity and social justice.

This Government promised the population that it would look after all its citizens. By this package of legislation, it is delivering on its promise to over 330,000 workers and building on its current systems to deal with future generations.

Madam President, I beg to move.

*Question proposed.*

**Sen. Wade Mark:** Madam President, before us is a Bill to amend the National Insurance Act, and the hon. Minister has provided us with some explanation for some of the proposed amendments.

I would like, in my contribution, to examine some of these amendments that the hon. Minister outlined and sought to explain, and I also want to examine the essence of the measure before us today. In his closing statement the hon. Minister referred to promises and the Government delivering on those promises.

I want to show in my contribution where the heart of this legislation lies in the increased contribution rates that the Government has imposed on the population of this nation when, in truth and in fact, the Government had promised—

**Madam President:** I think I heard somebody's cell phone. I do not know if it is in the Senate or the public gallery. Please turn off cells, pagers, et cetera.

**Sen. W. Mark:** When the Government had promised the electorate that it was going to increase the retirement pension for retirees from the average of about \$500 per month, which is what pensioners used to enjoy, to \$1,000 per month, that I would like to describe as the hoax of the decade. The Government promised the population but did not indicate to the population that they would have been responsible for financing their \$1000 retirement benefit.

I wish to draw your attention to the *Sunday Newsday*, December 09, 2001, and its printed ad in that newspaper headed "The People's National Movement Action

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Plan 2001—2003.” They said in that newspaper that there were about 14 measures that they had outlined in this action plan for 2001—2003, and one of those plans reads: “Immediately increase pension benefits, old age and NIS to \$1,000 per month.” This was promised to the population on Sunday, December 09, 2001 when we went to the polls, as you would recall.

They were installed illegally by the then President of this Republic and during the nine months when they were illegally running the affairs of this nation, they were forced to return to the polls because money ran out and so we went back to the polls in 2002. And in their manifesto of 2002, there is a section that is not even numbered; they were in a haste as you would recall, the PNM delivered on its promises but when it came to No. 7 to adjust NIS pension benefits to reflect this minimum payment, they had on their status to be accomplished in the new budget.

I raise this so that you can understand the background to this legislation that is now before this honourable Parliament. The essence, as I said, of this legislation along with some minor amendments which I want to look at—some of them—is to increase the contribution rates of this nation, those who are captured under the NIS framework, and the hon. Minister indicated there are some 330,000 citizens who are in the NIS net.

The Government, instead of financing its election promise to the nation, mamaguy and pulled a hoax on this nation. I have evidence where the National Insurance Board of this country recommended and supported the \$1,000 increase for retirees. They went along with the Government but proposed to it that they would finance that \$1,000. They wanted to increase because the average pensioner who would have contributed over 750 contributions to the NIS was subjected to a meager sum of between \$400 and \$500 on a monthly basis after he would have retired. The maximum was \$600.

In 1999, the United National Congress amended the National Insurance Act and increased the contribution rates and the same \$1,000 that the PNM has now imposed on the pensioners—I have no problem with pensioners getting \$1,000; I think they are entitled to that. What I am saying, however, is that the 1999 amendment to the NIS Act would have facilitated that same \$1,000 in the year 2005, but the PNM mamaguyed the population. They knew that the \$1,000 was already in the system based on the amendment to the Act in 1999 by the UNC. But in their haste to hoodwink the population they promised that as soon as they got into power. After their conspiracy with the former President, and they got into power, they mamaguyed the population. So this particular commitment that they had given to the population [*Interruption*] Once he leaves office, he is subject to

political criticisms. This was the hoax where they mamaguyed the population that in 2001 they would increase the pension of retirees under the NIS system. They did not invoke it in 2001 when it was 18/18. They returned to the polls in 2002, October, they did not invoke it. One year passed and we are now in 2004 and it was only last year in November, I recall, that the PNM established through the NIB, an increase in retirees pension from \$600 to \$1,000.

Madam President, do you know what was the scheme behind it? The scheme behind it—it was not the PNM Government that was financing that. They went on the election platform and they promised this \$1,000, but do you know who ended up financing the \$1,000? You and me! We had to pay for the PNM election promise and I believe it is dishonest of a government to go on a platform and promise people an increase in NIS pension but not tell the population at the end of the process that they would have to pay for that increase.

Madam President, what we are seeing in the Act before us is the Government implementing against the advice of the NIB. They rejected completely any decision on their part to implement the \$1,000. They must finance that \$1,000 increase. They refused to finance that and that is why today there is a situation where we are being called upon as citizens of this Republic to carry the new increase in pension rates for retirees. As I said, they deserve it and they were going to enjoy it under the amendments that we brought in 1999 but would have done in the year 2004/2005.

What we have now is another imposition on our salaries, another direct tax. They say they did not increase tax on poor people. They have gone that route now. They have increased, for instance, direct contribution rates that we pay.

I know from the calculations that I have made some of the lower level workers would, in fact, not have a significant increase but the people who would be carrying the bulk of the increase would be, for instance, public officers, teachers, police officers, fire fighters. They are going to be carrying the bulk of the increase so there are now 12 classes that they have established. Those persons who are working for \$710 per week, a total of \$3,076 per month and they currently pay \$19.32 per week, they are going to be called upon—in fact, that amounts to \$83 per month. Under the new arrangement these persons are going to be called upon to increase from \$19.32 per week to \$22.04 per week, which turns out to be \$96 per month, an increase of \$13 per month in the year 2004. And it goes on. It does not stop in the year 2004. It is a triple whammy—triple blows—that the PNM has imposed on us. In 2004 you have an increase, in 2005 another increase and then in

2006 there is another increase in NIS contribution rates being imposed on the population of this country.

**3.00 p.m.**

Madam President, given the new rates, those persons who fall in Class X and are now paying \$98.28 per month are going to be called upon to pay \$108 per month. In Class XI, as an example, persons who are paying \$98.28 per month are going to be called upon, under this regime, to pay \$120 per month, a \$22 increase. Persons in the highest class, Class XII, are moving from \$98.28 per month to \$126 per month, or \$28 more per month. This is what this Bill is about, increasing the contribution rates.

The burden is going to fall on the middle class in this country when the Government ought to have financed that \$500 increase in pension rates, instead there were large reductions for the corporate sector in this country. I have no problem with the corporate sector getting reductions in corporation taxes but let us weigh the priorities. We are now being called upon to pay increased rates at a time when the cost of living continues to escalate uncontrollably in Trinidad and Tobago; and when we have a Minister of Legal Affairs telling us to eat cassava when the price of rice increases—flour gone up, rice gone up and flour has gone up again. My purchasing power—the dollar—is being eroded every day by the cost of living. The cost of living is escalating. We have a Government that is facilitating the increase of the cost of living in this country and poor ordinary people are finding it very difficult to make two ends meet. Then we are told by the hon. Minister that this is a Government that cares. This is a Government of the poor and for the poor, but where is the evidence of it?

Madam President, there are 63,000 persons who receive old age pension in this land. There are also about 44,000 citizens who receive NIS retirement pensions, out of that 40,000—44,000 there are 15,000 who enjoy both NIS and old age pensions. Old age pension is noncontributory, but with the NIS you have pay.

I received a piece of correspondence from a gentleman from the Belmont community, dated December 11, 2003, in which he sought to indicate to me that there was an inequity in the present arrangement. In this piece of correspondence he said, for instance, that persons with the new increase of \$1,000—which is the qualifying income for old age pension—if an old age pensioner right now is receiving \$900—because you receive \$900 depending on the scale, and some people receive \$1,000—that pensioner is qualified to access that \$1,000 from NIS. So that pensioner would now be getting \$1,900 per month. However, persons with

income of \$1,100 per month do not qualify for old age pension. Therefore, there is a lacuna.

In other words, Madam President, if I were employed at Carib Glassworks Limited, I retired and am receiving \$500 per month and the NIS is giving me \$600 per month, I would be getting \$1,100. Twelve thousand dollars per year is the qualifying ceiling. If I am getting \$1,100 per month, I have passed the ceiling.

Madam President, here it is that I have contributed to the NIS and am getting \$600 per month and also receiving \$500 per month from my previous employer after my retirement. Together I have \$1,100 so I cannot apply for old age pension. I do not believe it was the intention of the Government to punish those persons who are in that situation. It could not be.

Madam President, I would tell you why I raised this point. There is a committee called the Working Group on Pension Reform headed by a chap called Mr. Mankee. They have been addressing the issue of harmonization of NIS retirement pension and old age pension. They recognized the gap in the system. I want to read from this particular report of the Working Group on Pension Reform focusing on harmonization of NIS retirement and old age pension. I would read under the Summary:

“The OAP...”

old age pension

“currently pays \$1,000 per month to persons 65 years of age and over with incomes of \$100 per month or less. Persons with income of \$101 to \$1,000 per month inclusive receive an OAP of \$900 per month.”

That is how you get \$900.

“Above this income level, there is no OAP. There are currently 63,600 OAP recipients, at a cost to the exchequer of...\$64.5 million for the month of September 2003. OAP...amounted to \$756.5 million in fiscal 2002/2003.”

However,

“Current NIS retirement pensions are generally around \$400 - \$500 per month. The NIS has proposed and the Government has agreed to an increase to all NIS retirement pensions of \$1,000 per month effective October 1, 2003. Persons receiving only NIS pension will therefore continue to qualify for the \$900 OAP thereby increasing their monthly income to \$1,900 per month.”

However,

“There are some 15,000 persons who currently receive both NIS and OAP. NIS recipients number (over) 40,000 persons.

To deal with this,...

situation

“the Working Group proposes that the qualifying income ceiling for eligibility for OAP should be increased to \$1,900 per month.”

The Government is moving it from the \$1,000 ceiling to \$1,900 per month. However, they put a cut-off.

“...once total income exceeds \$1,000 per month, the OAP will be reduced on a pro rata basis of \$1 to \$1 so that at an income level of \$1,900 per month OAP will be zero.”

This proposal was advanced and had the full agreement of the hon. Minister in the Ministry of Finance, Sen. Conrad Enill. It had the full agreement of the Prime Minister, the Minister of Finance. They agreed that there should be a ceiling of \$1,900 because they recognized that thousands and thousands of persons who are enjoying NIS would be placed at a disadvantage. It was agreed, this is what I understand, and the Minister could tell me if I am misleading the Senate.

Madam President, I want to tell you that this matter was taken to the Cabinet. A number of persons approached me on this matter who said there was a gap in the system. How can I be getting a small pension from Carib Glassworks Limited, or the *Trinidad Guardian*, of \$500 per month and get \$600 from NIB, but because I am receiving \$1,100 per month I do not qualify and would not be able to get old age pension? I am getting \$1,100 per month to live while another person, who did not contribute to NIS, is getting \$1,900 per month.

I think that the Minister of Finance recognized there was legitimacy in this argument. On the other hand, Sen. The Hon. Christine Kangaloo, Minister in the Office of the Prime Minister (Social Services Delivery), also recognized the difficulty faced by these pensioners—the over 25,000 NIS pensioners. Do you know what they said? They said they are not going to \$1,900, they prefer to stay at \$1,600. The working group argued: How can you be so discriminatory? How can you have persons who are not contributing to NIS receiving \$1,900 per month, right now as we speak? But you are saying, “Listen, to deal with that matter I am

going up to \$1,600.” So, it means to say that I can only enjoy a maximum of \$1,600 and I contributed to the NIS.

Based on the literature and the research, I could not understand why the hon. Minister Christine Kangaloo would have insisted on a \$1,600 cut-off point.

**Sen. Enill:** Can I clear it up?

**Sen. W. Mark:** Sure.

**Sen. Enill:** Madam President, I just wish to state that the committee to which the hon. Senator refers is one that has been set up. It is currently engaging in discussions and there has been no report of that committee taken anywhere for any discussion. The fact of the matter is that when this issue arose there was a whole question of pension reform that had to deal with the three sets of pensions that we currently have: old age pension, pension for public workers as well as NIS. All of that is put into the committee’s mandate to come up with a particular solution. I do not know where the Senator got the impression that some decision was made. The only decision that was made was to put the committee together and to get the committee to comment on these matters. So, to say that there was some agreement about the issue is not correct.

**Sen. W. Mark:** Madam President, I have evidence. I have information which I would make available to you, my hon. colleague and to the press because it is clear that there was a document which was prepared by the Working Group on Pension Reform focusing on the harmonization of old age pension and NIS to deal specifically with the matter of bringing about some ceiling at a level of \$1,900 per month. If the Minister is saying that did not happen then the documents I have are misleading, all the players are ghosts and they are not real. [*Interruption*] Before the Minister rises again, I want to read so he can tell me if I am wrong on this matter.

Madam President, this is a Pension Reform Working Group document. It is dated Tuesday, November 11, 2003. I have the names of the people who are members of this committee and who chaired that committee—I would not call their names. What I can tell you from page 2 of this document I have here is that:

“The Chairman informed the Working Group that the Interim Draft Report discussed at the Sixth Meeting had been submitted to the Minister with the changes agreed to by the Working Group.”

The working group agreed that it should go up to \$1,900 per month.

“Cabinet thereafter noted the reservations of the Social Services Delivery Division of the Office of the Prime Minister. That Division had indicated that the resources and infrastructure were not in place for delivery of Old Age Pension based on the formula proposed in the Interim Report. In those circumstances the Cabinet Note concerning the Interim Report was withdrawn.”

This went to the Cabinet and the Cabinet noted the reservations of the ministry of which Sen. The Hon. Christine Kangaloo is the head. That Cabinet Note that was supposed to bring about equality between the NIS pensioners and the ability to access old age pension so that it can be a level playing field of \$1,900 per month was withdrawn from the Cabinet. Why was it withdrawn, Madam President? Let me enlighten you. The Social Services Delivery Division indicated to the Cabinet that it did not have the resources and infrastructure to deliver this. But do you know what? In a document I have right here, they propose \$1,600. I am wondering had the Working Group on Pension Reform accepted the \$1,600 that was being proposed by officials from the Ministry of Social Services, whether that document would have been withdrawn from the Cabinet.

Madam President, do you know why I raise this point? Thousands of ordinary people who have contributed their lives, blood, sweat and tears to this country are suffering out there. I cannot see why a minister, with the agreement—I have information that both the Prime Minister, the Minister of Finance, and this hon. friend of mine, Sen. The Hon. Conrad Enill, had agreed in principle to the \$1,900 per month and that matter was taken to the Cabinet.

**Sen. Enill:** Madam President, on a point of order. I think it is Standing Order 35(1). If a Cabinet Note was withdrawn, then I do not understand how the Senator can say a decision was made. The point I have been making ad nauseam is that the working committee is currently working and at this point in time the issues of recommendations have not been presented for decision-making. That is the point I am making.

**Sen. W. Mark:** The only point I make, Madam President, is that a document was prepared by the Working Group on Pension Reform to equalize and ensure that NIS recipients—retirees—would be able to access old age pension and be able to come to the level of \$1,900 per month that was recognized by the Working Group on Pension Reform.

Madam President, I raise this point because it is rooted in the context of the NIS pension. If you look at clause 13 of the Bill, the tables—I am dealing with the tables; I am talking about people who are going to be paying increased rates in an

effort to at least allow our retirees to enjoy a \$1,000 per month—and the new rates is to allow the \$1,000 to be paid to these retirees who are NIS persons and who have contributed to NIS. All I am saying is that there is a lacuna in the system. I am calling on the hon. Minister of Finance to give this honourable Senate an undertaking today that that lacuna—that gap in the system—that is affecting thousands of persons would be closed or bridged quickly because they are suffering.

I speak on behalf of the pensioners who are NIS contributors. They have come to me and I make a case on their behalf. I appeal to the hon. Minister of Finance and the hon. Sen. Christine Kangaloo to address this matter. It is very urgent, it is very definite and is of great public importance and I would like the hon. Minister to address this matter.

Madam President, I wanted to clear this because it is on my conscience. When people approach me on matters like these I want to really raise them and get the attention of the authorities so that they can deal with them because I do not think they want that kind of injustice to continue.

I want to go into another area of this legislation today. I ask the hon. Minister, what sort of consultation did you have with the board of the NIB before bringing this legislation to Parliament? Did he not have consultation with the board on these amendments? I am not talking about the tables. There are other fundamental amendments that are in this piece of legislation. It is my understanding that there has been no consultation between the NIB board and the Minister of Finance on this measure that is before us today—it is tripartite labour, government and business.

Madam President, I believe that when the Minister speaks to the issue of administrative efficiency in clause 8 of the Bill, I think we are spinning top in mud. You are not going to achieve administrative efficiency based on the proposed amendment in the legislation.

My information is that the most vulnerable and exposed group in society today are domestic workers. I could not understand the logic of the Minister's thinking in seeking to put the onus on a domestic worker to go and register. Right now we have high levels of unemployment in this country. You are asking a casual agricultural labourer who may be on a farm today and is gone tomorrow to find the time to go and register with the NIB. To compound the madness, hear what the Minister is proposing in clause 8 of the Bill. A domestic worker or a casual agricultural worker may within seven days from the date of his first employment make an application for registration in the form determined by the

*National Insurance (Amdt.) Bill*  
[SEN. MARK]

*Tuesday, February 10, 2004*

board. It goes on that this poor domestic worker who “eh woking for no money” and is being exploited—six in the morning to six in the evening—must find the time within seven days. Then he goes on to say within fourteen days from the date of any employment he must inform his employer that he is now part of the National Insurance System. I must inform the employer that I am now part of the National Insurance System. Does the Minister know what is going on in this country? That domestic worker would be fired. So you are creating unemployment.

Madam President, I am telling you that there was no consultation between the Minister of Finance and the National Insurance Board on this matter. I will tell you why. I quote from a document. This is a document issued by the National Insurance Board. We have interest there, you know; we are labourers and our labourers make sure that we are fully briefed on these matters. So when my hon. friend tells me that I am wrong, I would show him that I am right.

I am quoting from the National Insurance Act and supporting regulations, recommended changes for the legislation. It came from the National Insurance Board. [*Interruption*] Not from the Board, per se. You know I am very lucky in getting these documents from time to time. I am not actively involved, but I get these documents from time to time. [*Interruption*] Of course I am saying it for the record. [*Interruption*] Madam President, I would continue and not be disturbed by my friend.

Madam President, hear what was recommended: that “employer” should include a person to whom another is an apprentice. What is the position they are proposing for amendment? “Employer” should include but is not restricted to a person or entity to whom another is apprenticed and includes employers of domestics and/or agricultural workers.

**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. S. Baksh*]

*Question put and agreed to.*

**3.30 p.m.**

**Sen. W. Mark:** Madam President, this provision says that the onus should now be placed on the worker. The onus should be placed on the employer. I want to ask the hon. Minister to revisit this particular provision in the Bill. The existing section 30(5) says:

“Nothing in this section shall apply to a domestic worker or a casual agricultural worker but every such worker shall, in respect of each employment as such, himself make an application for registration and shall give notice of any change in any such employment.”

They called for the repeal of this and they said, as justification for the proposed amendment, that these are the most vulnerable groups of employed persons. This provision, in fact, provides a mechanism whereby employers escape responsibility for their coverage. This is the largest single area of evasion at the present time.

I am saying to the hon. Minister of Finance that he should put the onus on the employer. Do not put the onus on the domestic worker. Do not put the onus on the casual agricultural worker. They will not get the coverage they deserve. In all other areas of endeavour, the employer is responsible. When it comes to domestic workers, the most vulnerable group in the country and casual agricultural workers, who work seasonally and from dusk to dawn, where will they find the time to register within the seven to 14 days? The Minister of Finance has to revisit this provision. It has not been properly thought out and ought to be amended. I suggest that the onus be placed on the employer and not the domestic nor the casual agricultural worker. I would like him to take a look at that.

The hon. Minister talks about investment and the need for us to have a new investment policy for the NIB so that it can have a greater level of return on its investment. That is laudable. I would like to ask him what the Government is doing about the 100,000 self-employed persons in the country. There are 100,000 self-employed persons who are not contributing to the NIS. What is the Minister doing about that? They have a captive audience like you and me, Madam President. Once we get paid, they take from source, so they are crucifying us. There are 330,000 captives and there are 100,000 persons out there who are working for plenty money. You know all these self-employed people and professionals? There are architects, accountants, lawyers, doctors—they are paid, but I am paying. What is the hon. Minister doing about that? This is the kind of legislation we wanted before the Parliament today—that he is taking measures to capture the 100,000 self-employed persons and professionals who do not contribute to NIS at this time.

How would that, if he captures that net, improve the investment, the funding and the financial capacity of the NIB? I would like the hon. Minister to tell me. I would also like him to tell us whether the Minister of Finance has taken a decision to write off some \$47 million owed by persons who borrowed money from the NIB and who migrated. I understand that close to \$50 million has been written off.

I want to know when mine will be written off. I have a mortgage. Would I be that lucky? Do I apply for a waiver? What is going on here? I want the hon. Minister to tell this Parliament whether the decision has already been taken. The last time I posed the question, he stood here and told me that they were thinking about it. I have a document that says it has already been done. I want him to level with us this afternoon. That sum of \$48 million owed to the National Insurance Board could have gone a long way in reducing your contribution and mine, instead of my having to pay more contributions in 2004, 2005, 2006—and we are not working for plenty. Hundreds of persons have gone abroad and are playing hide-and-seek in the country and they have written off their mortgage commitments to the value of \$48 million. *[Interruption]* The land did not migrate. They have gone. I would like to know what is going on and I want the hon. Minister to tell us what is going on. We want information on this matter.

I take the point the hon. Minister made earlier in his contribution that the gender bias that was inherent in the National Insurance Scheme for years has now been rectified. I think that is a positive step. It took a long time in coming. It has come and it is a welcome development for the widowed, particularly the female in the country.

I also want to indicate to the hon. Minister that to run an efficiently organized institution in these modern times, there must be a reward system that is acceptable to workers. I call on him to pay some attention to the terms and conditions of workers at the National Insurance Board, about which the hon. Martin Joseph is well acquainted. He was formerly employed there. They work for abominable salaries and wages. It is very poor and dehumanizing for people who are in contact with the assets of a board tallying over \$11.5 billion.

Madam President, do you know how much a clerk works for, with the recent settlement they had when they had to protest, wear red ribbons and close down the place? A clerk at the NIB receives \$3,000 per month. I do not think that they are getting that now in the public service. I do not think that a police constable is getting that now. I understand that a police constable, with the job evaluation exercise, has gone to \$5,800 per month. I have no problem with that. I congratulate the police officers. They deserve that, but the NIB workers deserve better.

Madam President, do you know that a person who is serving tea—“boy”, tea “yuh” know, a maid—at T&TEC is getting \$5,000 a month? But a clerk at NIB is getting \$3,000 and that Clerk has to deal with billions of dollars in terms of administration at different levels of the organization. So, I appeal, not to the

Minister of Finance here—I believe that the National Insurance Board has done a wonderful thing. At one time there was a rate that they ought not to have gone beyond—I think it was 9 per cent. At one time they were 13, 14, 15 and 20 per cent. I understand that they have gone below 9 per cent, which is a remarkable improvement. I think, in doing so, that they ought to reward their employees better.

The \$1,000 that has been given to our retirees at the level of the NIS, because of the erosion of their purchasing power, was supposed to have been identified based on an analysis that was done either by the CSO or the Ministry of Finance. It was supposed to track the poverty level. As you recall, back in 1994, the amount of money you were working for was classified as a living wage. In other words, poverty was placed at about \$600. They said if you were receiving \$600 or above, then you were living above the poverty line. The new poverty line is \$1,000. So, if you are getting more than \$1,000, you are just above the poverty line. If you are getting \$1,000 you are on the margin.

I suggest that at the rate at which the purchasing power of the dollar is being eroded on a daily basis, the old age pensioner and retirees need support once again. I do not know if the time has come in this country to talk about indexation, given the rate and the volatility of inflation in Trinidad and Tobago. I believe the hon. Minister should pay some attention to that particular matter.

I thought this afternoon that I would make and submit a case for the NIS pensioners in this country. Of 40,000, 15,000 alone currently enjoy both NIS and old age pension. One point I would like to leave is for the hon. Minister of Finance and my good friend, Sen. The Hon. Christine Kangaloo, to take some immediate steps to bring an end to this injustice that is plaguing tens of thousands of citizens who have now retired and who need to live and have a decent retirement package to subsist and to exist in this country. I call on the hon. Minister to look into that matter and do something quickly to deal with the gap that exists between NIS pensioners and their access to old age pension.

I thank you.

**Sen. Parvatee Anmolsingh-Mahabir:** Thank you, Madam President, for allowing me to make a contribution in this debate on the Bill to amend the National Insurance Act, Chap. 32:01.

I first of all commend the hon. Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill, on some of the measures introduced in this Bill, which will

indeed provide some financial relief to a large number of our citizens. I refer to the increases in the child benefit, maternity grant, funeral grant, retirement pension and the attempt at the elimination of gender discrimination in the benefit for widowers and widows.

Madam President, the explanatory note states that:

“The purpose of this Bill is...to improve the operations of the National Insurance System by removing obsolete provision and ambiguities, closing loopholes and promoting administrative efficiency for the National Insurance Board and employers.”

I congratulate the hon. Minister on his vision. Finally, after 32 years, the NIB has seen the need for these changes, which are essential if the contributors are to receive their full benefits.

But, Madam President, may I draw your attention to the Sixth Actuarial Review before us. On page 2, it states:

“Report by the Government Actuary’s Department on Phase III of the Review of the National Insurance System of Trinidad and Tobago as at 30 June 2000.”

This amendment that will take effect from March 01, 2004 is almost four years late. Further down on that page, we see:

“Section 70 of the Trinidad and Tobago National Insurance Act 1971 provides for an actuarial review of the National Insurance System at intervals not exceeding five years.”

Therefore another review is due to this Senate by the year 2005. I do hope it will be timely.

The public believes that the benefits and the new rates of contribution are based on the current financial status of the system but this is not so. The calculations are based on the financial status of the NIS on June 30, 2000. I believe if the present financial status had been taken into account, the NIB would have recommended even higher benefits than we are receiving right now.

The NIB is collecting more money today than it did in June 2000—almost four years ago. It is simple mathematics. According to the NIB in its annual report, the total income in the year 2000 was \$1,251.0 billion; in the year 2001, \$1,357.7 billion; in the year 2002, \$1,449.0 billion. The board failed to send the 2003 annual report to Parliament, which should have been done by November 30, 2003, therefore, according to section 13(2) of the National Insurance Act, which states

that the annual report of the NIB must be laid in Parliament before November 30 of each year, the board has not obeyed the law.

I have been advised that the income in the year 2003 was in excess of \$1,600,000,000. Therefore, it stands to reason that the contributors could have received higher benefits. Over \$12 billion has been collected by the NIS from its inception in April 1972 to the present day and the investment income of the contributions exceed the total payment of all the claims paid to date, including the exorbitant administration cost. Not one cent yet has been paid from the revenue of contribution income, so there was no need to raise the contributions right now. The big picture shows billions of dollars of transactions in the whole NIS, but how does this impact with respect to customer service to be delivered to about 60,000 pensioners, 360,000 contributors and about 13,000 employers? Are we getting the service?

The Sixth Annual Review on which this Bill is based is an excellent review, but it is deficient in one area. It contains financial projections from 1997 to the year 2050. It is a master plan that covers all 12 classes of contributors in terms of NIS payments and pensions. However, it is incomplete since it does not give a summary from the inception, 1972, to 2004. If there is an actuarial review that is deficient in this area, many questions remain to be answered.

According to the actuarial review on page 4, 1.1 states:

“This report should be read in conjunction with the other actuarial reports produced during the process of the 6<sup>th</sup> Actuarial Review.”

Where are these other reports? We have not been provided with them, therefore we cannot arrive at a reasonable conclusion.

The hon. Minister in his opening remarks said—and I am trying to abbreviate what he said—in the case of a manager or professional, his contributions from employees and employer paid continuously at the highest rate from 1972 until retirement in August 2003 amounted to \$37,139.04; that the annualized life-time yield on the total contribution was 8.29 per cent and that the estimated life expectancy was 16 years. That will take the person from 60 to 76 years. He further stated that 85 per cent of the contributions are placed in the Long-Term Benefit Fund; 9 per cent are placed in the Short-Term Benefit Fund and 6 per cent in the Injury Benefit Fund. The hon. Minister can correct me if I am not quoting him correctly.

Madam President, the problem is with the 85 per cent that goes into the Long-Term Benefit Fund, which was invested from 1972 to 2002. In this review the

actuaries showed the hon. Minister and by extension the citizens of Trinidad and Tobago, only one side of the coin. They failed to calculate:

- (1) what was the 85 per cent of each month's contribution;
- (2) how much it has earned at the annual interest rate of 8.29 per cent for 32 years; and
- (3) how much money this amounts to when this investment was compounded and reinvested for the past 32 years.

They have failed to calculate the monthly pension to be drawn down from this total value after 32 years, to be paid to the retiree for his life expectancy of 16 years, which would, of course, take him to 76 years. While they gave projections of the NIS contributions and pensions for the next 50 years, they have not given us vital information, which we need to know. So the contributors are still in the dark as to how the NIS funds are managed. Perhaps the Minister will give us some further details on that.

In my 2003/2004 budget contribution, I pointed out the difficulty pensioners encounter when they have to access their NIS records. Record keeping at the NIS continues to be nothing short of scandalous. Imagine in this age of information when NIS officers are equipped with computers, a pensioner still has to wait for months and in some cases years for a service which should take not more than one day at most to deliver. I am happy that this has improved in the case of the death benefit, and I congratulate the hon. Minister on this. Why is the technology not being used to tighten up the loopholes in this whole system? The NIB has the equipment. They can do it. It must be done.

In any financial institution when records are not speedily and accurately kept, loopholes are created in the system whereby it can be manipulated using fraudulent devices to siphon out money. There is a concept in auditing called "teaming and lading" where moneys that are not promptly recorded are siphoned out of a system for many years without being discovered. Funds received at a later date in a pension scheme can be recorded in a retirees fund only when that fund is needed 30 and 40 years down the line and only upon the retirement of the individual.

This can happen in any financial system, which operates with billions of dollars. We have heard of Enron and Intel. Therefore, if the NIS contributions are not properly recorded into the 300,000-plus individuals' accounts, then the system opens itself to various types of manipulations. My learned friend is saying "fraud". The numbers representing money paid into the NIS can be posted into different accounts when and where needed so that it appears that only those

accounts that are immediately needed are fully paid up while the rest of the 290,000 contributors are not. We do not know, but we are forced to conclude that all is not well with the NIS.

On page 5, at the back of the review, 2.14 states:

“The NIB has told us that there is no reason to believe that it is not representative, and our analyses so far give no indication that it is not, but there has to be an element of doubt when as much as 20 per cent of total contributions are not posted to contributors. We therefore strongly recommend that this situation should be improved before the next review.”

The next review is due in 2005. To avoid any public perception that there is manipulation of the NIS funds, accurate record keeping must be a priority for the NIB.

Madam President, NIB, in the early years, provided annual statements of accounts of paid contributions to insured persons. This has stopped for about 20 years now and is issued only on request. I think it should be mandatory that the NIB reinstate that practice of annual reports to contributors.

I am sure that the welfare of the nation's children is near and dear to all our hearts and when we legislate for their benefit, we must ensure no child is overlooked. The benefit of the child must be foremost in our minds. In this Bill, while provision has been made for the benefit of a surviving child, which includes adopted and stepchildren, it has overlooked the child who is under legal custody. I refer to clause 6 of the Bill. A child who is under legal custody of the insured person is denied survivor's benefit. Why is this so? This is injustice to that child.

**4.00 p.m.**

Let me elaborate further. A child under legal custody of any adult, for example an aunt or uncle, does not enjoy any benefits whatsoever under the Act, but stepchildren enjoy the benefits. That is to say, if an insured person lives in a common law relationship with a woman who has 10 children, all those children would qualify for benefits when the insured person dies. This does not happen in the case of a child in legal custody. We cannot allow any of the nation's children to fall through the cracks because of an oversight. This must be addressed. Therefore, an amendment needs to be added to clause 45(1)(a) of the Benefits (Amdt.) Regulations 1999, to include the child under legal custody. This is an opportunity to redress this injustice now. I hope the Minister will take the appropriate action and address this problem.

The Minister mentioned that he removed gender discrimination. This is not quite so. I would say that he attempted the removal of gender discrimination in this Bill. If we look at the Actuarial Report, again, Table C3 spoke of the recommended survivors pension rates, there is no gender bias here. There is widow/widower, child, dependant parents, dependant orphan; widow/widower, child, dependant parents, dependant orphan, fine. If we look at Table C3 we see the recommended rates for survivors pension: widow/widower, child, dependant parents, and dependant orphan; widow/widower, child, dependant parents, dependant orphan. But, when we go to page 32 and look at Table 6, we see the recommended employment injury death benefit. What do we have? We have weekly widow, monthly widow; weekly dependant child, monthly dependant child; weekly dependant parent and monthly dependant parent. What has happened to the widowers? That is why I say that this is an attempt at the removal of gender discrimination. What about the dependant orphan? Where is the category for dependant orphan? This report is incomplete, hon. Minister. Perhaps, the Minister would explain this omission.

One of the areas that I would like to draw to your attention is the problem with the tribunal. It is a sore point with the NIS claimants, Madam President. The National Insurance Appeal Tribunal, under which section 60 of the National Insurance Act was established to review decisions of the board through appeals from claimants whose claims have been disallowed, is chaotic, to say the least. I do not know what is the present status of this tribunal. Perhaps, the hon. Minister, in his winding up statement, can enlighten us. I do know that Regulation 30 of the NIS Appeals Regulations mandates the board to carry out the tribunal's decision within 30 days. The board is guilty of not complying with this provision in many decisions. The board does not carry out many of the decisions that are handed down.

Too often, what the NIS Board does is that when these cases come before them and the appellants win their case, they usually appeal the case. I believe this is being done to frustrate the appellants. It is a delaying mechanism to pay these people. The appellants have to wait at the mercy of the board to get their money, all because there is no penalty to force the board to comply. This is an injustice which should be addressed. The board should be made to pay a penalty when it fails to carry out a decision of the tribunal. That penalty should be similar to those provided when contributions are not paid on time. In the same way they penalize the employers when they do not comply, the NIB should also be held accountable. There should be a 25 per cent penalty and 15 per cent interest starting at the end of the 30-day period. There should be equal justice for all.

Madam President, while the NIB has improved and increased medical benefits in this Bill for sickness, invalidity, unemployment, injury and others, it is mind-boggling to imagine that the NIB has only employed one medical doctor to adjudicate tens of thousands of claims of various medical problems and having to make the correct judgment call for the appropriate financial benefits to be paid to the applicant.

At present, thousands of applications are constantly delayed, while the contributors are suffering. Is the NIB waiting for these people to die? Is this administrative efficiency on the part of the NIB? While we make grandiose statements, there is a huge gap between what we say and what is actually done and whether there is any actual delivery of customer service. This is a national malaise. If we are serious about achieving our Vision 2020, we must make a quantum leap to reconstitute our future. Common sense would dictate that there should be a team of doctors to determine the validity of the claim to expedite the process, since over 4,000 cases are presently on the doctor's desk for review.

Madam President, in conclusion, I have no hesitation in giving my support to this Bill, which is long overdue, especially with regard to the increase in the benefits. I am sure that if the financial status of the NIB for 2001, 2002 and 2003 were taken into account, the benefits would have been higher. I know the hon. Minister in the Ministry of Finance genuinely believes in gender balance and will ensure the inclusion of widowers and orphans, where the death of an insured person arose out of employment.

Madam President, a well-known NIS consultant, Mr. Hubert Dolsingh, has stated that the NIS system is one of the best pieces of legislation ever introduced in Trinidad and Tobago by any government. I support that statement. Before the introduction of the NIS in 1972, less than 30 per cent of the working population had any form of financial coverage in times of sickness, maternity, invalidity and death. What I suggest, and what remains to be done, is to ensure that the NIB provide a speedy settlement to all claims.

I thank you.

**The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo):** Madam President, the Bill to amend the National Insurance Act, Chap. 32:01, presented to this honourable Senate is another example of this Government's commitment to strengthening the social protection provided for citizens of this country. I would just like to take a minute to refer to hon. Senators concerns on this Bill.

The Working Committee on Pension Reform is at present reviewing all the pensions available and, therefore, we will be making some amendments in the very near future.

Also, I would like to add that the revenue authority, which we are in the process of establishing, would also create a database. Therefore, it means that self-employed persons would be caught in this net. We are very optimistic that they would also be contributors to the National Insurance Plan.

In the 2003 Budget Presentation, the Prime Minister and Minister of Finance noted that the satisfactory social service delivery helps us to realize our full potential. He also referred to the need to make a national insurance system more relevant to the needs of the population.

The Bill before this Senate seeks to enhance the level of social protection available to our people. The legislative changes being proposed are intended to give the effect to the recommendations of the National Insurance Board of Trinidad and Tobago for the improvement in the coverage provided to insured persons and their dependents. At the same time, a system of increased contributions has been introduced.

A number of issues have been raised since this Bill was first introduced in the other House. I would like to take this opportunity to address some of the concerns that have been articulated. An issue which has generated much concern is the proposed increase in contributions. Some Senators are of the view that there should be no increase in contributions without a complete overhaul of the national insurance system.

Critical features of any social security system are that the system must be affordable, yet provide reasonable benefits in the short term and the system must also be sustainable in the long term. I repeat, sustainable in the long term. The long-term and short-term objectives must remain in balance.

Madam President, the National Insurance Board of Trinidad and Tobago was incorporated under Act No. 35 of 1971. The National Insurance Act has been subsequently amended and commenced operations in 1972. The principal activity of the board is to carry out the requirements of the National Insurance Act in providing social security benefits to the insurable population of Trinidad and Tobago. It is in this light, that in the first instance, the proposed amendments of the National Insurance Act must be viewed.

I refer to the *Annual Report of the National Insurance Board, 2003*. I wish to point out some performance parameters. I will now read.

**Sen. Mark:** Madam President, on a point of clarification. May I suggest, through you, that I think Sen. Anmolsingh-Mahabir said that, up to this time as we speak, this Parliament has not seen, as the law says, the reports for 2002 and 2003. The hon. Minister—

**Madam President:** I think the documents have been—

**Sen. Mark:** We have not had those reports.

**Sen. Anmolsingh-Mahabir:** No, Madam President.

**Madam President:** One person at a time please.

**Sen. Mark:** I want to know whether it is proper, in the absence of those reports being laid in this Senate, for the hon. Minister to be reading that report? That report ought to have been properly laid here. She cannot be reading the reports of 2002 or 2003.

**Madam President:** Is that a report that has not been laid in Parliament?

**Sen. Enill:** It is a public document.

**Sen. Mark:** It has not been laid so she cannot refer to it until it is before us.

**Madam President:** It is a public document in what way, Minister?

**Sen. Enill:** Madam President, it is a document that was produced by the Board of Inland Revenue that contains information for all its shareholders. I am advised that it is on its way to the Parliament. Therefore, the information that—

**Madam President:** I am sorry. I did not hear that.

**Sen. Enill:** According to section 13 of the Act, as amended by section 7 of Act No. 9 of 1999, the National Insurance Board complied with its obligation to provide the reports as required. The document itself is a document produced by a company and is available for the public. It is a public document and the Minister is quoting from a public document.

**Sen. Anmolsingh-Mahabir:** Madam President, the 2003 document was not laid in Parliament. We have not received it.

**Sen. Prof. Deosaran:** I am just trying to help. I think the stipulation in the Act, if I remember, is that the document should be properly laid in the Parliament annually. After that, then discussion and reference can take place. Apparently, that procedure has not been followed. I think that is the crunch of the issue.

**Madam President:** Therefore, we will be guided by that. Hon. Minister, it means you cannot make reference to it.

**Sen. The Hon. C. Sahadeo:** Thank you, Madam President. By now most of us would have the relevant data which will allow us to recognize how the increase in the payments of national insurance can be afforded and how the payment would be made through the National Insurance Board.

I refer to data which has already been presented by Sen. The Hon. Enill. He indicated that out of the 37,772 claims we had 34,687 which were determined for payment. The benefit payments amounted to \$419.5 million out of a contribution income which represents 48.2 per cent.

I would also like to comment on the administrative expenses. Sen. Anmolsingh-Mahabir has made much mention of the cost of administrative expenses. My colleague, Sen. The Hon. Enill, earlier indicated that the initial legislation in 1972 sets out that the administrative expenses should not exceed 9.5 per cent of the contribution income. In 1999, he reminded us here that the administrative expenses were now determined by the Minister of Finance, in collaboration with the actuary's advice. You would be pleased to note in the sixth actuarial—[*Interruption*]

**Sen. R. Montano:** On a point of order! I would not really want to take it, but it is taken against us, so what is sauce for the goose has to be sauce for the gander. The Minister is—

**Madam President:** What is your point of order?

**Sen. R. Montano:** Clearly, she is reading.

**Madam President:** Hon. Minister, speak from your notes, but do not read, okay?

**Sen. The Hon. C. Sahadeo:** Madam President, as matter of fact, I was speaking without reading from my notes, so I do not know what is the Senator's problem.

As I indicated earlier, there was much concern expressed about the cost of administrative expenses. As has been indicated, there has been a general reduction in administrative expenses as a percentage of contribution income. As a matter of fact, legislation took care of that. In 1972, there was a ceiling of 9.5 per cent in terms of total administrative expenses. In 1999, legislation was passed where the Minister of Finance, in consultation with the actuary, had the sole discretion of determining that level of administrative expenses. We would like to note in this Senate the *Sixth Actuarial Review*, which was presented to all of us present, states and recommends that by 2010, the administrative expenses should not exceed 5

per cent. Therefore, we can look forward to the trend of decreasing administrative expenses.

There was much concern earlier about there being no need to increase the contributions by both employer and employee, based on the level of funds held by the NIB. As indicated earlier, for long-term sustainability, it is imperative that these funds be maintained and the asset base increased so that all of us in this esteemed Senate and future generations, would also enjoy national insurance benefits.

Prudence dictates that we ensure that benefit payments come out of contribution income. Therefore, investment income, as earned, must be used to develop our capital base.

Madam President, as we talk about investment income, there was much concern raised regarding the investment policy. Mention was made in terms of the difference and the trend in the investment strategy. As we all know, there is a declining increase in interest rates throughout, not only Trinidad and Tobago but, worldwide. The investment policy of the National Insurance Board is trending towards equity investment. This is indeed laudable and they should be commended, because it means that the asset base would give and provide a higher return. Right now, the committed return is 8 per cent on investment. We are reassured as we turn towards a change in our investment policy, allowing us to invest in more equity funds.

Much concern was raised about contribution statements which are no longer circulated to members of the NIS. That is absolutely correct. When we investigated, we found that in the first instance, many employers did not give the accurate details and addresses of the NIS contributors. In this regard, I understand and the NIB has given us the commitment that this will be resumed as soon as the database is corrected. I understand that forms have been sent out to all companies to ensure that the database is updated and accurate.

In that regard, three months prior to retirement, these individuals are sent packages, advising them of the impending retirement. I understand from July 2003—January 2004, approximately 500 packages were sent out and a response was in the order of just over 125. It means that the NIB is making every effort to correct this anomaly. I must say that they have given us the commitment that it is going to be addressed in the very near future.

I did not hear very much about the National Insurance Appeals Tribunal. This is a very significant and important institution to ensure that if our NIS contributors

are really dissatisfied with any payments or claims, they can resort to the NIS tribunals. In the same breath, I would like to say that we believe—[*Interruption*]

**Sen. Anmolsingh-Mahabir:** On a point of order. I did mention the problem with the tribunal. When decisions are made there is delay in implementation and they should be penalized.

**Sen. The Hon. C. Sahadeo:** Thank you, my apologies. When I mentioned the National Insurance Appeals Tribunal it means that it is not advertized adequately. We are fully aware that all the citizens of Trinidad and Tobago may not be fully aware of the benefits outlined and what they have available via the National Insurance Appeals Tribunal and the Medical Tribunal. I think the Government has a responsibility and it is going to be addressed as soon as the new board is reappointed.

Madam President, we see the National Insurance Appeals Tribunal as totally independent and serves as a support structure to the National Insurance System and the beneficiaries of this system.

On the issue of the medical advisor, we are aware that there is really one advisor. This advisor does not screen or review all the claims which are presented. What they have is a criteria established. Only those claims which do not fall within the established criteria are sent to the medical advisor. What we advise with respect to the medical advisor is when additional information is requested from the various authorities—if a claim is present and in such a situation he is unable to get the information from the relevant medical practitioner. This is one of the biggest issues facing the NIB. They have advised that it is not the situation of the medical advisor not being able to expeditiously carry out his duties, but it is the delay in getting information and feedback from the various sources from which these claims were initiated.

Given that a lot of my responses referred to the Annual Report of 2003, from which we do not have the liberty to quote, I would again like to take the opportunity, to commend the NIB on the job they have done and continue to do, to grow the fund and ensure that we have adequate funds in place to support all the new measures we intend to introduce today.

I thank you, Madam President.

**Madam President:** Hon. Senators, I think this is a good time for us to take the tea break. The sitting is suspended until 5.10 p.m.

**4.27 p.m.:** *Sitting suspended.*

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

**Sen. Dr. Jennifer Kernahan:** Madam President, thank you for allowing me to make a brief contribution on the National Insurance (Amdt.) Bill. The National Insurance Scheme (NIS) was introduced into this country in 1972—a very significant period in the social and political history of our country—after a period of intense social and political activity in this country. It followed a period of general strikes by workers in the oil and sugar industries, because people in this country felt that there was a lot of social inequity; and there was not enough equitable distribution of wealth; especially among the poorest people in this country. This scheme sought, in part, to respond to demands of the society, and at that time the demands for social equity and an end to high levels of discrimination in our society. This is obvious because the Minister has recognized this since he mentioned the redistributive aspect of the NIS during his introduction to this Bill.

Madam President, I agree with my Independent colleague who said that the NIS is an extremely important social tool. It is also an important economic tool in the society. There are several important benefits to a well-run, properly administered NIS. Firstly, it is important to ensure against the uncertainties of retirement, especially for the underprivileged, the lowest level of income workers. It is a tax efficient way of savings for workers, and it helps to redistribute consumption, in the sense that people are encouraged to save in the present for future consumption. And as we have seen, it has been shown that the pension aspect of the NIS is one of the most important instruments in the whole of Caricom for workers who are due to retire.

I would like to quote from a document of the Central Bank of Trinidad and Tobago dated February 2004 where Mr. Winston Dookeran gave a speech on Pensions and Investments in the Caribbean 2002—Future Benefits Through Effective and Efficient Investment and Management, and I quote:

“The obligations of government in providing appropriate pension plans can lead to significant economic difficulties. At the same time, a well-managed pension security can generate large funds for investment and help to develop capital markets.”

The enormous importance of national insurance is very evident as a social and economic tool. We also have to recognize at this point—when we are looking at the changes to the NIS—that we are operating in a radically different environment to that of the early 1970s. Globalization is a major factor that has

radically changed the financial markets, and when we are looking at the control, investment and management of billions of dollars accumulated by our NIS, we have to look at issues that would now affect risk management of these investment portfolios.

Regulatory control is also a significant issue in debates all over the world. People are talking about how to develop and manage national insurance schemes. In this document Mr. Dookeran also mentioned the fact that the Central Bank is moving towards establishing an integrated regulatory control system—integrating pension, banking and insurance industries. As you are aware, accountability and transparency have become the watchwords in the international financial markets. The NIS in Trinidad and Tobago could no longer be exempted from this type of scrutiny.

Madam President, the Minister mentioned that the NIS would necessarily be moving towards more lucrative investment portfolios. The Minister did say that. It is important to recognize the importance and the establishment of strong regulatory systems which would serve to protect, and which would be a watchdog over the funds of the poorest people of this country—the 330,000 workers who, by law, contribute to this scheme.

While I am at this point, I would also like to emphasize a point made by Mr. Dookeran, that performance and sustainability of pension funds also depend on the performance of the economy as a whole. I think the hon. Minister Sen. Christine Sahadeo mentioned the issue of sustainability. When we talk about the sustainability of these pension funds by the NIS, we have to see that the sustainability and viability of this system would not exist in isolation to the performance of the economy and, therefore, that it would not exist in isolation to the social climate that affects the performance of the economy. It comes back to connecting the dots; and it comes back to the fact that if we have a social climate that is degenerating every day—as we speak, we have threats of terrorist activity in this country.

We have seen that bankers and investors are shying away from investing in this country in the long term, and we have seen a sluggish growth in the non-oil sector; 0.6 per cent in the last year. It is obvious that the overall economy is suffering from the repercussions of crimes such as kidnapping and the generally negative social and economic policies of this Government. The point I am making is that we are not going to see any sustainability and viability of the NIS, specifically in the absence of an overall economic growth in the society. When this Government comes to this Senate with a Bill such as this one, it must take

cognizance of the fact that there is another aspect to this matter it must deal with in order to promote the economic well being of the society.

As a layperson—not having any strong background in finance—I listened with interest to the Minister when he made reference to other countries with respect to their contribution rates as opposed to their administration cost. The Minister quoted a number of countries that are worse off than us—in terms of the ratio of contribution rates and administrative cost. The Minister quoted our rate, an average of 8.4 per cent contribution rate as compared to a 6.9 administration cost.

Madam President, I would have thought that as an avid proponent of Vision 2020, the Minister would have balanced his presentation with figures from countries that are doing better than us, so that with the Government so-called vision for developed country status in 2020, it would have something better than ours with which to compare, and not keep looking back at countries which are purported to be worse off than we are. I do not think that this is in the spirit of 2020 when the Government compares us with countries that are doing worse than us. The Government should compare us with countries that are doing better than us so that we could strive to be better and have higher levels of efficiency and social delivery.

Not being a financial whiz either, I do not know if one could quote these figures in isolation from other social indicators that might be available that would indicate the standard of living and the quality of life of people of other countries. These are only two indicators. When we are talking about NIS, we are talking about a whole package of benefits, and other social delivery packages that these countries may have in place. So just to quote these figures out of the context of other social delivery programmes and benefits may not be the best thing to do, because it may not give us a true picture for comparison.

I would like to agree with my colleague, Sen. Wade Mark, with respect to his objections to clause 8 of this Bill where agricultural workers and domestic workers are asked to register personally with the NIS—go down to the offices and present themselves as being integrants of the scheme. First of all, we are talking about people who are the poorest and the most culturally challenged in our country. The middle class people in this society could become very intimidated by the bureaucracy, far less for the poorest section of the society. So, the Government is asking someone—who is sometime not even quite literate—to present himself to a national insurance office. These persons would have to find these offices and they would have to take a day off. Do you know that persons in those categories dare not ask for days off, especially if they only recently started to work? How are these persons going to ask

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their employers for a day off when they have only just started to work to go and register with the NIS, which would imply additional cost to the employer to provide benefits for them? That is madness. They will be asking their employers to send them home on the spot. This is totally unrealistic. The Minister should really rethink this matter.

In fact, employers should be required to register their employees. What is the problem in making it mandatory for employers to register domestic servants and casual agricultural workers? They are the ones who are economically, socially and intellectually more equipped to deal with these matters. The Government cannot ask poor people to deal with these matters; it is going to come up against a stonewall.

Madam President, I am certain that this Bill will come at the electorate of this country like a thunderbolt from heaven when they have realized that this Government—whom they have voted for in 2002 and who made so many election promises of a better life and to save them and so forth—has now callously and cruelly inflicted additional direct taxes upon them, and they could least afford to bear them. The lower and middle-income persons cannot afford to lose a cent from their pay packages; as it is, their pay packages are tight enough.

When one looks at this matter realistically—the Government is making a big deal of this \$1,000 pension—how are people going to live on \$1,000 pension retirement fund? People's bills do not disappear when they have retired. These people still have to pay the Water and Sewerage Authority (WASA) and telephone bills; they still have to buy food; they still have to wear clothes; and they still have to use the private transport system in this country, which, incidentally, has increased. So, over 300,000 fixed income workers—the ones who could least afford to bear the burden of increased direct taxation—are being penalized by this Government for having voted them into office in 2002, and that is the harsh reality. When these people realize that—there is going to be a lot to pay—not to use the obvious word that comes here. The Government is going to have to pay for having fooled all the electorate who voted for them into thinking that they were going to better their lives. In fact, their lives have become infinitely harder since the installation of this government in office.

Clause 16 purports to remove the discrimination against widows who may not have had children and who may not have reached a certain age and so forth. The reality of the life of these widows is that we are dealing with the reality of a situation where the Government is giving them something with one hand and taking it back with the other. Although they may now get the benefit at any

age—whether or not they have children—the fact is that the Government is taking back these benefits because transportation has gone up; gas has gone up, food has gone up—flour and rice have gone up.

Madam President, life is becoming ever more impossible. We are talking here about single women who have just lost their husbands and who have to fight a life on their own at their lowest psychological state and so forth. They have to fight all these issues—face all these increased costs—and the Government is telling them that they are going to give them this benefit and, on the other hand, they are going to take it back almost immediately. Why does this Government continue to fool and frustrate the people of Trinidad and Tobago? The Government should have told them upfront that they were going to give them increased benefit, but it was going to cost them.

Madam President, the Government is not going to take it out of the Community-based Environmental Protection and Enhancement Programme (CEPEP). They are going to give up to \$400 million in CEPEP, and yet the Minister comes here and boasts that the Government is going to put an additional \$30 million into the hands of pensioners, but he did not tell us that they are going to put over \$220 million into the hands of the criminals who run the URP gangs. This is the psychology of this Government; it purports always to fool the population; hoodwink the population; give something with one hand and take it back with the other hand and have people very confused—like a merry-go-round—and telling them that it cares. They do not care about anyone but themselves and perpetual power because that is their credo. Their mission statement is “Great is the PNM and it shall prevail”. [*Desk thumping*] [*Laughter*]

This Bill purposes to increase funeral grants from \$1,000 to \$2,000 and to increase the maternity benefits from \$1,000 to \$2,000. We come back now to the paradoxes in this whole situation. The Government is increasing the funeral grant—this great PNM that will prevail forever on the backs of the poor workers of Trinidad and Tobago. [*Desk thumping*] They got a shock in 1996 and they will get another shock in 2007. [*Desk thumping*] This maternity grant that the PNM is giving to these mothers—they are giving them \$2,000 to go home with, but they are going home without their babies; their babies are dead. These babies are lying in the mortuary of the Mount Hope Maternity Ward—killed by the negligence of this Government that does not have the basic fundamentals in place to protect babies of this country. This is a scandal. The Government is talking about giving mothers \$2,000, but they are killing their babies, and they are not seeing the contradiction.

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Madam President, the Government is talking about increasing funeral grant. I am certain I know why the Minister of Finance increased the funeral grants—there are so many funerals in this country. [*Laughter*] They are killing out the young people of this country; they are promoting gang warfare; they are promoting violence; they are channelling millions into URP; and the young men are killing each other. So the Government has to give their mothers an increased funeral grant to bury these young people who are dying daily in this country. [*Laughter*] The Government's response to this matter is laughter, and people are dying in this country—young men are losing their lives and this is actually funny. This is a cause for laughter.

I understand the psyche of the PNM. I believe that the people of Trinidad and Tobago are coming to the slow and painful realization that this Government has no vision for the betterment and improvement of this country. Every step that this Government seemingly takes forward, they are taking 10 steps backwards. That is the reality.

One of the so-called benefits in this Bill is the \$320 child benefit. And, yet, what is happening in our country? The children are fabricating their own private revolutions in their schools—32 years after this NIS was introduced to this country to promote social equity, in response to the demand for social equity and social justice—we have come full circle because we have seen the exact situation that existed at that time, and is even now more horrible—the social disparities; the discrimination. Racism is worse now in 2004 than it was in 1972. The only respite that the population of this country got from this madness was between 1995—2001 when the UNC government shined a ray of hope into this country, and brought some level of sanity to the madness that has been going on for over 40 years in this country. [*Desk thumping*]

Madam President, as I said before, over 300,000 workers are affected by the increased contribution rates that would be imposed on them. I agree with my colleague, Sen. Mark, that this is discriminatory. What is happening here is that the Government is putting the burden for capital formation and for economic development on a small group of workers, and it has not made any attempts—except by talk—to redress the problem of incorporating others who are much better off into the net to carry the brunt of these burdens. Instead of trying to widen the net, the Government is seeking to increase the burdens on the poorest people who are already in the net.

I want to mention a document entitled: Regional Pension funds will fall short for future elders. This is also a quotation on an investigation done by Mr.

Winston Dookeran. He was speaking at the Pensions and Investments Seminar hosted by the Caribbean Centre for Monetary Studies and the Caribbean Association of Industry and Commerce and I quote:

“He said unless urgent changes are made in the systems, we will be unable to deal with our future senior citizens. He contended that there were two significant issues that will influence the direction of change in pension reform. These are the use of incentives in promoting market-based solutions as well as the increasing globalization of the financial sector.”

When the Minister made his presentation he also recognized that the fertility rate is decreasing and the longevity rate is increasing among older persons, and there is going to be a crisis in the obligations of the pension fund. In fact, this document that is before us entitled: *The National Insurance Board Sixth Actuarial Review of the National Insurance System of Trinidad and Tobago* also recognized the fact that by 2047 funds would have been totally depleted, if certain measures are not put in place at this point.

I would like to quote the last part of this document which says:

“This is the only way to decrease risk while optimizing potential returns.” This is with respect to the pension fund at our disposal.

Obviously, if pension funds are channelled into low rates of return portfolios and so forth, and we do not get the maximum out of it, there would be a decrease in fertility, and there would be more elderly persons who would need pension benefits, and there would be less young people who would be able to work and carry the brunt of the taxation policies and so forth.

These observations are basic to debates taking place all over the world at this time. In fact, a World Bank document entitled: *The Main Points on the World Bank Report Averting the Old Age Crisis* by Professor John Ross in 2002 stated that one of the basic recommendations is that there must be a multi pillar approach system in order to deal with the problem of sustainability and viability of pension funds in a society. He mentioned three multi pillar approach systems, and I quote:

“1 Mandatory publicly managed pillar whose main objectives are redistribution and insurance providing defined benefits via a payroll tax that finances a means-tested pension with a minimum pension guarantee.”

This is basically what we have in place with the NIS. In terms of pension funds, there are two other pillars that he mentioned which must be considered if a

society is to look down the road and avert disaster in the future. This is presently happening in Europe. In fact, in Italy workers are up in arms because governments are beginning to recognize the unsustainability of pension funds, and they are taking measures that are unpopular with the working class and, therefore, they are in a crisis situation. Our duty right now is to have a futuristic vision and avert these crises in the future.

Two of the other pillars mentioned were:

- “2 Mandatory privately managed pillar whose main objectives are savings and insurance, providing defined contribution benefits via personal saving...or occupational savings plan...that are regulated and fully funded.
- 3. Voluntary Pillar whose main objectives are to supplement the retirement benefits from the other two pillars via personal retirement savings.”

**5.40 p.m.**

He talked about the benefits of the multi-pillar system, and the last benefit he mentioned—which, I believe, is very relevant to us is to—

- 5. insulate the system from ‘political risks’ including political pressures for design features that are inefficient as well as inequitable. The retirement benefits from the other two pillars via personal retirement savings.”

This is the sort of debate that is ongoing worldwide among countries far more advanced than us, who have long histories of social delivery and who have reached a point where they have to look at where it is going in the context of the declining fertility rates in the developed countries in the context of globalization, in the context of new mandatory calls for regulatory controls of financial markets and institutions for transparency and so on. We are firmly part of that world, and we have to wake up and smell the coffee and embrace this brave new world in a way that would benefit the salt of the earth; the persons who worked and produced wealth for this country that enables us the quality of living and the standard of life that we are enjoying right now.

I would like to see that this Government avoid the glib references to 2020. In the glib references to 2020, they continue to come to this Parliament with legislation which shows that they are totally, still in the moment, taking the easiest way out; they are taxing the most vulnerable. Because it is much easier to tax the most vulnerable,

they have not shown that they are ready to take any bold steps with respect to pension reform. It is something that the Minister did not even mention in his contribution. Although Sen. The Hon. Sahadeo—in response to Sen. Mark—spoke about pension reform and the committee and so on.

We would like them to stop the glib references and get down to work and bring serious legislation and raise the standard of debates in this honourable Senate, by bringing the hard issues and problems that we all have to face. If we do not do it, we will be doing a great disservice to our children and our grandchildren, who would have to bear the burden of increased taxation and increased contribution rates in the future, that are not even going to support the pensions and benefits that would be necessary to deliver a social programme that is worthy of the people of this country who have worked so hard. We have so many resources, Madam President. Our country is rich in mineral resources; we are rich in land; our climate is fertile; we are productive people; we are a blessed people and we do not deserve a Government that refuses to deal holistically and futuristically with the issues that are going to affect the livelihood of our future generations.

These are the major issues I wish to address today. I would like the Government to refrain from the *laissez-faire*, laughter-filled approach to governance and get down to the task of dealing with issues as important as the national insurance basic instrument for literal survival and welfare of thousands and thousands of persons in our society. Deal with the hard issues. Bring pension reform legislation to this Cabinet and look at how we can holistically provide for a better future for our children and grandchildren.

Thank you very much, Madam President. [*Desk thumping*]

**Sen. Dana Seetahal:** Madam President, in the National Insurance Act, Chap. 32:01, section 36 states:

“There is hereby established, a system of compulsory national insurance...”

It is my feeling—based on what I have heard here today and from the wider public over the last 30 years or so, and what I have thought about, in having dealings with the National Insurance Board, were it not for the fact that this was a compulsory national insurance, and because of the fact that there have been massive perpetual delays in paying any claims for so many years—maybe, recently, it has improved—this whole system would have fallen flat on its face years ago. Just like many insurance companies we have seen in this country that

have fallen flat because of mismanagement and lack of accountability. That is how I feel about the National Insurance Scheme and the National Insurance Board.

The perception in the country with many persons is that national insurance is another form of taxation that we have to pay. Everybody looks to see by how much it is going to increase. Some people actually say, “Oh God, you all try and not let them raise it too high.” Really, does anyone perceive that there is a benefit to be gained from this? It may be, as someone said it is, to benefit, primarily, the lower-income earners, but many of those persons who find it easy to access the old age pension, have little clue or any clue at all, how to access the pension given through this National Insurance Scheme! It is a mystery to them and it remains a mystery to me.

There are agencies throughout the country, but how they operate is not designed to provide easy access to what is yours and what is mine. If I had been paying regular insurance for the last 25 years, I could have accrued thousands of dollars. And if properly invested in the banks, the average person and I would have had a lot of money now.

So when the Government of the day tells us now we are going to increase payments by some minuscule amount, as if they are doing us a favour, we know that this is not anything that they are giving to us; this is something that we have earned, and we ought to have. My feeling about the National Insurance Board and the legislation is that if we, as taxpayers, are to support any increase in contributions, we have to know what they have been doing with our money all these years. And to say that we can get it from annual reports, when those annual reports are not available to the rank and file of the public, is not good enough.

For one thing, if over the last so many years \$12 billion has been collected, and if it is that they have been paying claims of the income from the investments, what is this \$12 billion doing? That is something I would like to know. Part and parcel of that is as I have heard in this honourable Senate, some weeks ago, a question was asked about the word “write-off” of debts and it was said that debts were written off because of migration, because of some being statute barred, and the like. Now that caught my attention. I understand—and the Minister can correct me if I am wrong—that \$47 million of debts were recently written off. And I understand the reason was cited as persons migrating—I do not know how many—and statute barred. That is just one term that persons used loosely. A debt does not become statute barred just like that.

What it means is that the person, to whom the debt was owed, took no action. It also means that when someone became delinquent in paying this mortgage the National Insurance Board, for four years, never initiated action. So every single person in this country who pays national insurance has a vested interest in knowing who are those persons who were written off, and why was no action taken in these cases. [*Desk thumping*]

I say that because I have had a mortgage with the NIB—this is my personal experience—for 20 years, and I have paid my mortgage—except for some years ago, I had a flood and I had asked for it to be suspended for three months, so that I would pay it off at the end. In 1995, I asked to vary my insurance for an additional one, and I was told only if I paid up for those three months. So I had to find the money to pay for three months, in addition to my regular payments because I was being honest. I was telling them that I wanted permission to suspend payments for three months, and I would pay it off, and then they came down hard on me. At that time, too, they did a little audit and they told me that I had eight payments missing for three years. I said, “Are you crazy?” Because I have gotten a statement from you every year showing that I paid all of the interest of approximately \$30,000. When it was investigated—despite the records of NIB showing that I paid every year—it showed that my money was sitting somewhere in a suspense account having been cashed, because they had mixed up my middle name with—it was some weird reason like that. Nobody knew until I asked for this in order to satisfy their requirements, and then it went to them.

So what would have happened is that I would have had all my receipts saying, this is all the moneys here from NIB, Nipdec House. They would have never got that \$36,000. It would have been just sitting there. That is possibly what is happening to a lot of money and a lot of things being written off. So I have very little faith in the National Insurance Board. I feel that people who religiously pay, who adhere, who follow the law, they are the ones the NIB is coming down hard on. People like me—every year you get a letter saying, “If you do not bring me the receipt of your land tax and so on, by such and such day we will sell your property.” Yet they are writing off persons who do not pay their mortgages for four years. They take no action. They sit on their butts and do nothing and then other persons who are honest and doing the right thing are being victimized.

It is my honest opinion that there should be an investigation of the operations of the National Insurance Board. [*Desk thumping*] An investigation

into the receipt of moneys: how moneys are expended; who has been written off; why they have been written off; and everything else connected to it. For instance, one of my colleagues—whose name I will not mention—had indicated that after paying national insurance for years and years, when he retired, he had gone to the board to make his claims and they told him that they had no record of it for so many years. This is somebody employed at the University of the West Indies (UWI). It is not some passing fly-by-night employer. Then he had to get certification from them that he had paid; that here is his number. These are not individual, isolated cases, you know. You hear it too often. It is like you hear too often that an accused person says, “that is not the police officer who arrested me, it is that one.” After you hear that enough times as a lawyer, judge or a magistrate, you know something is going on.

In the same way, when you hear it enough times that they cannot find the number, or, you have to go back again and again; you know that there is something on just to stop or delay payments. You do not know what is going on. It might be slackness, but there is no accountability. And that lack of accountability has led to having debts being written off and depriving persons from getting benefits in a suitable and proper way and in dignified amounts. And what is happening now? You are going to plug the hole—not by making the system work properly; not by calling for accountability; not by having an investigation, but by raising the contributions. Is that the way, Madam President?

**Sen. Enill:** Madam President, before this goes a little further, let me just make two quick points. The write-off that Sen. Mark spoke about was done in accordance with the established parliamentary procedure. More than that, the 271 houses were, in fact, sold, and the proceeds from sales were written off against the outstanding debt. So, to make a point that says it was written off just like that, is not totally correct. The fact of the matter is, these properties were recovered. They could not find the individuals. Their properties were sold. They applied whatever sales they received to that outstanding debt, and it is the remainder that was written off. I want to make that point because it is not a situation of simply writing off debts. I will respond to this a little more in my winding up.

**Sen. D. Seetahal:** Thank you, Minister. I look forward to the Minister responding, except to say that my information is that many of these persons were not difficult to find. Furthermore, in many cases, sometimes it is only when the properties value had gone down so low that they were sold. And you would see the newspaper reports saying, “Nipdec is selling properly in poor repairs.” I appreciate the Minister's response, but I do not necessarily give it the value that I would hope to have given it.

A previous contributor made a comment as to self-employed persons being outside the net. Just to say that under the definition of “employed persons” in section 2 of the Act is included “self-employed persons.” Therefore, under the Act, a self-employed person is supposed to register and pay national insurance. Just as a self-employed person is supposed to pay income tax, but who is checking up? Who is making sure that this happens? I do not know that the NIB is doing that. I would like to know what they are doing about it. Persons mentioned doctors, lawyers, businessmen. To my certain knowledge, many such persons do not pay national insurance on their own behalf. If self-employed persons are caught under the net, I would like to know where is the enforcement.

Sen. Mark talked about the \$1,000 for old age pension, and the proposed amendment, that the Minister has brought before us, to take effect from March this year where persons, regardless of what their contribution is, would get a \$1,000 pension. That is a good amendment. There are persons who have been paying National Insurance and are getting \$400 and \$500 pension. And there are persons who have never worked and are getting \$1,000. It seems reasonable that you should be able to benefit if you pay. The problem is this: If you have an income of less than \$1,000, as I understand it, you can access the old age pension. So if you have nothing more than your national insurance pension, you will be able to access the old age pension. So you would have \$2,000 a month. To some persons, those are riches. They can make ends meet.

But if you are a widow and you are getting your national insurance pension and a claim for widows—that is \$200. So with your \$1,200, you cannot access old age pension. So you are stuck with \$1,200. I know of one such case that I heard about just today, but those are the anomalies that we need to see cleared up. These persons, through no fault of their own, are at a disadvantage when compared to others who did not, over the years—

May I say one thing. I neglected to mention that this \$1,000 pension a month is only to be given to persons who have made 750 payments. In my reading of the amendment—it is not across the board—it is clear that you have to make 750 payments. If you divide that by 52; roughly it is about 15 years you would have to be paying in order to get that \$1,000. So let us not think that it is a right to all. If you are a widow and you are getting a \$200 or some other thing, you do not get the old age pension. So that seems to me to be in concurrence.

The final point—and this is with reference to something my colleague mentioned about a child in legal custody, and I thought that I should carry on dealing with that

point for persons who are not covered in terms of benefits. Section 44 of the Children Act says that a person may make an application, if a child does not have anyone to look after him, and get custody of that child by an order of the magistrate. So you can have an aunt, an uncle, or a neighbour who looks after this child and when something happens to you, the child just has to go back, maybe, to an orphanage or on the streets, because there are no benefits to him. This is the loophole; this needs a plug; this is the area that needs to be corrected and to which Sen. Anmolsingh-Mahabir had referred. I do not think I need to go any further in relation to what I am saying. Again, I really think that we need to have an enquiry into the operations of the NIB.

One thing on the drafting and the content of the section is that there is a provision in section 36 of this original Act, which says:

- (2) “An employed person who has not yet attained the age sixteen years or who has attained the age of sixty-five years shall not be insured against any contingency other than employment injury.”

As far as I understand it, that remains the law. That has not been amended. Now, the proposed amendment, between 16 and 65, deals with section 29, which talks about the registration of persons. It seems to me that if you are registered between 16 and 65, section 36(2) talks about a person under 16 and over 65 being entitled to employment injury. The first point is that if you are under 16, I do not know if you should be working to be able to pay NIS, in the first place, to get employment injury, if it is desirable or that you should be working. In the second place, I do not know if those two sections or subsections together make sense. I just want to point that out.

Thank you very much, Madam President.

**Sen. Sadiq Baksh:** Madam President, I join the debate on the Bill, the National Insurance Act, Chap. 32:01. When this Bill was introduced in 1972, it was, in fact, a great idea. At that time it was a visionary idea that was intended and geared up to provide financial relief to the contributors and their families. Thirty-two years later, we must admit, that the only thing families got from the National Insurance Scheme would have been horrors, poor record keeping and no financial relief.

Not one single contributor to the National Insurance Scheme could give a testimonial of having gone to their offices and requested any sort of information, on any aspect of national insurance, and come back and tell you that the information they got was correct, or they were pleased with the service received. Not one. That is the record today that we must admit. In fact, when we see the purport of the Bill, it is to remove the obsolete provision and

ambiguities, and closing the loopholes that existed for all these years. Madam President, some might say that we are better off to repeal the entire system and start from scratch. That is what it is basically. Because of the horrors that citizens of Trinidad and Tobago faced for this extended period.

When the NIS scheme was established, persons looked forward to making their 750 contributions, so as to be able to derive the benefits from such a scheme. It was touted then as the idea of the future; it was then as part of the Fourth Five-Year Development Plan—something that would reform pensions. Indeed, at that time, it was, in fact, a visionary piece of legislation in this part of the world. Other countries around—the same countries that we have quoted now, in terms of persons doing worse than us—did not have a National Insurance Scheme then. It was not established that long.

After three decades, all we could conclude is that it was a good project that went bad, and no amount of money that you would inject into such an archaic system would provide the results needed. But there are contributing factors. The employees at the National Insurance Board—as my colleague, Sen. Mark said—are poorly remunerated, while subsidiaries of NIB, in this case, Nipdec, receive better salaries than the persons who administer the entire National Insurance Scheme.

In addition to that, the manpower requirement for such an organization managing a portfolio in excess of \$12 billion needs to have the manpower structure in place to administer such a scheme. You need to have the data base; you need to have cutting-edge technology; you need to change with the times, because you are playing, not only with the future, but with persons who have given their working lives to Trinidad and Tobago and when they retire they cannot get their pensions, because they are missing years of contributions that go unaccounted for. Even persons who work in the government system continuously for decades, when they go to compute their contributions, they are requested to provide information to verify that they were under employment for years. That is the harsh reality of where it is today. It is not an untruth. That is the situation.

I feel certain that the staffing arrangements at NIPDEC, in terms of engineers and qualified persons to do the job, are far in excess of that what we have in terms of actuaries and other persons necessary such as analysts; financial and investment analysts within the NIB system. I really cannot reconcile in my own mind what improvements I could expect from any re-arrangement of the system I find it difficult to believe. I am hoping that the purport of the Bill would, in fact, improve, modernize, re-engineer, re-structure and provide the human.

resources to make the NIB more efficient for the sake of the future. I am not confident, based on the record of the NIB, that every citizen, including employees of the NIB and all hon. Senators in this Chamber, has a chance.

In looking at the National Insurance Scheme, I want to suggest that we do a complete review of the administration and the administrative structure so that it would be geared up for delivery, customer service, and to provide an environment that would allow persons to come into that office and feel confident that they would be taken care of.

**6.10 p.m.**

Madam President, I feel sorry for the casual agricultural worker who just found some employment with some of the farmers cutting cane. I cannot imagine some of them now going to be registered. I cannot imagine if they go into the office say, one day while there are negotiations going on and you have a sick out, what will happen to that worker. I cannot imagine when you have bomb scares taking place on a daily basis what will happen.

Madam President, this is the harsh reality of where we are today and I am suggesting that we provide a complete administrative overhaul so that we will be able to—with all the good intentions of the Minister in terms of reducing the possibilities of fraud and a number of other things, and providing the board with the wherewithal to promote administrative efficiency, I say that that will not be possible unless we overhaul the entire system and we provide a better environment for all the members of the scheme.

Thank you very much. [*Desk thumping*]

**Sen. Brother Noble S.A. Khan:** Thank you, Madam President, for allowing me these few moments to address what is before us. Firstly I would extend appreciation and also congratulations to the Minister in the Ministry of Finance who presented the Bill and also the other Minister in the Ministry of Finance, our colleague, Sen. The Hon. Christine Sahadeo, and also to the Minister of Finance himself, who is not here, for this matter which is before us.

The Bill has backward linkages to the year 1971 when the parent Bill was presented and passed and, as we have heard, we had expected great to come out of it. One could reflect for a moment on 1971 and what had occurred in the year before and obviously the complete upheaval as far as systems, as far as what was before us in the economy and how we could have addressed it at that time, and hence seen a linkage and, to some extent, the expectation of this Act which saw its entrance at that time also, on which we had great hope. Even going back, one would think that the

prominence that should have been given to it in the operations, in the implementation—and you will recall, Madam President, that I have always felt strongly on the question of implementation, not that we have fallen down there but there is so much more that we could do in meeting what we are supposed to do.

This Bill that is before us, as it has indicated, seeks to bring some form of implementation at a higher level and, as I mentioned, soon after construction of the building that was supposed to be the headquarters of the National Insurance Board what took place there. It was turned into a courthouse. So that gives an idea of the priority that we had. Another building was put up in Tunapuna, this was big capital expenditure from which the return—I do not know for the service from the courthouse that the country gave, what return came in and what came into the pool. Because it was workers' funds; the sweat and blood of the workers, together with what was eked out of the employers, that formed the pool from which these constructions took place and, obviously, if one would think in terms that no return was given, which I strongly suspect was done by way of rental or so, that what happened to that—and that is due to the worker. Well, this is just in passing, but I think the major point was the political will of the time to have this operating in a way that it definitely would have delivered goods to our people, to those who particularly contributed, and definitely would have set it on a path of which today we would have been proud and as so many have called for a review of it, to put it mildly.

There are some things, too, that I would like to touch on, particularly. The question of the looking in—this is about \$1.3 billion we collect each year. I think the national budget was about \$22 billion or so. That is about—you are talking in terms of about one-twentieth of the budget as far as the inflows are concerned, the national budget that is, and then we hear that over a period of time from 13 per cent it went down to about 9, but just let us shift the figure to about 10, that is about \$130 million going into the area of administration expenses, if we were to view it as that within the function of the law, allows for that type of expenditure.

As we know, administrative expenditure might be more or less not a returning—an input, then. Basically how I understand it—and I think all of us understand it that way—the question of the pool was to put funds into it, invest funds on a continuous basis, and, the surpluses and the inputs from that will help to pay pensions and other cost factors like the different services that come out of it. We have waited 32 years, quite a bit of time as some have mentioned, quite so, three decades, before we have come to the point of looking at and seeing how we could change what is before us.

Even when that Bill had come in—from my own experience something happened today which I thought would have happened even before, that somebody “woulda make ah jail” when this thing started out but that has not happened yet. Also too when we look back on it, from personal experience too, people who were very, very substantial within the machinery of the operations of it, very highly respected persons, particularly, highly qualified and all of that, who reached the highest levels in our country, I know they were very disturbed when they got into the area of it—of what was taking place. Well, may their soul rest in peace but this is just in passing that the fiasco that was taking place within the NIB did not go unnoticed.

What I think happened over the period of time is that nothing was done towards it. I know that what is before us has brought these things to mind. We are dealing with, as I have pointed out, \$1.3 billion, a substantial amount of funds, and we have heard from the other place, within the matrix of a total economy, what the path of a fund like this would—the effect it will have in the total operations of a country. Perhaps some of these analyses that have come through from the other place and even within ourselves might be very relevant in other societies and these adoptions in these areas leave much that we could raise our eyebrows on, but they do occupy our minds too.

For example, the point has been raised here, where did these investments go? When the inflows came, why were they not posted against the accounts? Well, we have touched substantially on that, on the inefficiencies of the system as it operated. So there is definitely the need to review the structure that obtains after 32 years. To some extent I have made mention in the past of the question in the budget exercises and so for more investigation, and that maybe they should come after every period, every so often, that the nation, through its experts, with respect to people, should have an overview of what obtains.

In the past I know this existed at times when we had our commissions of enquiry and things like that, not investigative as what took place in other areas, but we are overlooking the system from a point of view and even these institutions, such as the NIB and what have you, would have fallen under that survey and obviously would have led us to some form of knowledge base as to what obtained with recommendations. This obviously has not happened so today what is before us is pretty sketchy, very, very sketchy, and it leaves big voids in our minds and big questions.

Now, as the chief decision-making body, one wonders if, you know, what is before us and what we are doing is just a big charade, so to speak. We still have hope in what we may do and particularly those in whose power—who operate the system at the moment and our colleagues who are here with us.

**PROCEDURAL MOTION**

**Madam President:** Hon. Senator, would you just give way?

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I beg to move that this House continue to sit until the completion of the matters before us on the agenda. I must say that we are doing this particular Bill and then there will be amendments, and, because of time needed for the Act to amend the Public Assistance Bill and to validate certain things thereunder, it seems that we will have to go until—

**Madam President:** We go on until—until you finish all of that?

**Sen. The Hon. J. Yuille-Williams:** Yes.

**Sen. Mark:** Madam President, we were willing to cooperate and come back on Thursday at 2.00 because we have been informed that this Bill has to be passed sometime by Friday or Monday. So we were of the view that the Government might have wanted to facilitate Thursday rather than proceed with these two matters today, and we are willing to meet on Thursday at 2.00.

**Sen. The Hon. J. Yuille-Williams:** Madam President, we tried to reason even with those from the Ministry concerning this particular Bill and we tried to find time during the week, and what has happened is that apparently, as we announced that we were doing it today, and most people seemed to have had to stay in with other things for the week, and it must be done before Monday because the board begins to sit on Monday, and especially—you see, it is a revalidation Bill but there is that clause which widens the scope which is not going to be revalidated by this Bill which you must do so that the board could start, it seems that we have little option but to do it tonight.

*Question put.*

**Sen. Mark:** I want a division on that.

*The Senate Divided:* Ayes 15 Noes 12

**AYES**

Yuille-Williams, Hon. J.

Jeremie, Hon. J.

Joseph, Hon. M.

Montano, Hon. D.

Enill, Hon. C.  
Gift, Hon. K.  
Manning, Hon. H.  
Chin Lee, Hon. H.  
Dumas, Hon. R.  
Abdul-Hamid, Hon. M.  
Titus, R.  
Kangaloo, Hon. C.  
Sahadeo, Hon. C.  
Ramroop, S.  
Hackshaw-Marslin, Mrs. J.  
**NOES**  
Mark, W.  
Baksh, S.  
Kernahan, Dr. J.  
Seepersad-Bachan, Mrs. C.  
McKenzie, Dr. E.  
Deosaran, Prof. R.  
King, Mrs. M.  
Quamina, Dr. D.  
Seetahal, Miss D.  
Anmolsingh-Mahabir, Mrs. P.  
Khan, Bro. N. S.A.  
Basharat, A.

*Question agreed to.*

**NATIONAL INSURANCE (AMDT.) BILL**

**Sen. Brother N.S.A. Khan:** Thank you, Madam President. As I was saying, when we had the sweet voice of the Leader of Government Business interrupting, the point I was making is that there is a high vagueness

or opacity in the operations that are before us that definitely will create an much disturbance in our mind, so to speak.

Nevertheless, of the major points which I would like to put before us, one is that when we look at the major players in this schema, you have the workers, you have the Government, you have the employers, and, to some extent, outside of the Government is the NIB board under which this whole matrix appears to operate. Now, one of the areas, that we have touched and on which so many of the previous speakers had touched, Madam President, is the question of investment portfolio and what is derived from that and which should definitely go into the mix so that benefits could be paid off and continue to be increased. The extent to which this has been achieved in laudable goals I think is very questionable.

It is to this extent one could think in terms of what was behind or even to have a view of the investment portfolio, so to speak, particularly at this time when we think in terms of Enron or Parmalat. These are agencies in which great investments went in some of the metropolitan countries and we know quite a bit of investments, as far as pension funds are concerned, tied up in this type of investment, went the way of, as we would say, all flesh and they evaporated or just went up into space. This, I think, is a great risk that exists with any form of investment so the question of where these investments went—we have heard even between that some of it went into building on the local scene and areas such as that and some of them were not so successful, and our Minister in the Ministry of Finance will give us some insight into that when he replies.

Nevertheless, the question of sustaining these forms of investments in a way that will lead to increase as we said—and this is all tied up with the total economy—“\$1.3 billion is plenty money” and coming out of one sector—that will be coming out of one sector and particularly the workers and employers—that should definitely cause us a great amount of concern as to how it is invested, how it is returned. Obviously it has not been going too well or to our satisfaction—who gains, who loses and obviously, too, the question of the worker within. I am not speaking of the worker who pays, I am speaking here of the worker who works within NIB.

Motivation is one of the greatest factors in any employment agency and historically in the West Indies we always think in terms of the biggest motivator is what you pay and if we were to see, as we have some indication here, some of the workers even having to go out and protest because of the working conditions and all of that, it leaves much to be desired, especially when you

think in terms of when they themselves compare what they are doing against the recompense package that they are receiving. So this in itself may be a big contributor to some of the negatives that seem to appear within the organization.

As I have said before, when you collect money you do not know where it has gone, not that it has left the organization but the accounting and how it is spent and all of that—big question marks over them. So to some extent I think that if we were to look at the workers and their package—and this does not only have implications with NIB, which is before us now. When we think of what is taking place in some of the other state agencies—for example, at the National Broadcasting Network, recently we had workers from there in protest, and we have recently spoken much on the question of the TV and the radio. So this again, it seems to me, is an indication at which the Government and even we here and the country at large should look more closely when we think in terms of our workers and the arrangements for payments and how we deal in the areas of packaging, their recompense portfolio, so to speak—their compensation package. So this again I would like to, as I have touched on the worker as part of the input, touch also on the structure that obtains and also the portfolio which might be a bit difficult to shift around because of investments that have gone into it.

Some mention has been made of the comparison between NIB pensions and old age pensions. Now, some of us who have our feet on the ground know for a fact that when people reach the age of 65 “plenty gymnastics take place.” People reach 65, you hear they might have a little property and they want to get the old age pension, they shift it to somebody and different forms take place and that, in itself, besides creating within our society an area for doing things that might not be strongly moral, we find that they do happen. For example, just recently I was hearing one, “check out on a gentleman who does mechanic”, they asked, “Where is he?” They said, “Well, he has gone home, because he skip out because he waiting to make up his package to get his old age pension.” So during that time he is out of circulation, he is a good worker still; he is still full of vibe and life, but these are just examples of what obtains.

My suggestion is this, make everybody over the age of 65 pensionable as far as old age is concerned, because when we think in terms of the poverty line and we say \$1,000—anybody below that. Just above the \$1,000 which they are outside of the poverty line is “ah mass ah people” too that might be more than or pretty close to the number that is below. So though some people say it is about 20 per cent below the poverty line, if you were to just go up a little above

\$1,000, the borderline cases, man, it might be about 50, if you “add the two ah dem together”, and everybody knows that with just \$1,000 or \$2,000 it might be very difficult for somebody to earn a living or a reasonable form of living.

I know the last two budgets—and we had supported it—had a strong social input, but the question of sustaining such a budget could possibly be because of the buoyancy of the economy and the inflows and things like that and again it always worries me, the question of the economic system, what does it throw up for us, our people within? Have we really come to grips with it? Is it not the same thing like in the days of slavery and the early days of indentureship? It is a question, you know, what has been referred to by some of the local economists, of the mono-economy. Well, in our case it might be the oil and gas and with a “lil bit ah” tourism. Tourism, I understand, is big in Jamaica and it is spreading in the West Indies too, the question of the invisible economy, you know, the type of agriculture that is supposed to be illegal. [*Interruption*] “Eh?”

Well recently—this is just an aside. I have been given a “lil” prompt here and it is very, very hurtful to hear because “they shoot a man; because they lock him up for, what, marijuana, and he went to take a bath by the pipe, when he run away he was shot. They shooting man for marijuana now, wha dey charge him for?” You know, these are questions on the ground and if we are not responsive or listen to them on the ground, it only gives an indication of how far we are from reality.

Coming back to the question of the old age pension at 65, I strongly recommend—I know our sister, Sen. Parvatee Anmolsingh-Mahabir, made mention of the book that is before us and quoted *ad idem*, without end, the question of the actuarial work. So I would expect that we could possibly look at that if we make everybody 65, because, at the upper end people who might definitely not take it—or, through the tax system, it will just find itself way in. We could possibly overcome a great problem and also deal with a moral because many people you hear say well, “dey ain’ going een for dat, but later on you hear dey drawing dey pension and t’ing because they buckle under. That is the \$1,000 we talking ’bout, de old age pension.” So we will help to move a big area out of a negative situation if we were to go that way.

I have touched on the motivation, I have touched on that; yes, the economy; touched on the darkness that exists. Again, I would like to touch on that insofar as this whole package is concerned. It is meant for the worker who continues to appear to get a benefit that is, at best he will take it grudgingly but it does not satisfy anything. A thousand dollars after working for 13 years, making so much, “I doh know, maybe the actuarial scientists and dem could work out that”

*National Insurance (Amdt.) Bill*  
[SEN. BRO. KHAN]

*Tuesday, February 10, 2004*

and see how it fits in with what could definitely be acceptable and there might be need.

We have heard here that we in Trinidad and Tobago are pretty low as far as the input is concerned. To put it before the nation, if you want to make it substantial or to make it something which could really have some meaning if you have to carry it up, this is one aspect of it.

I must thank you, Madam President, for allowing me these few moments. Let me again extend my congratulations to our two Ministers in the Ministry of Finance for bringing what is before us, because it has some modicum of increase, but there is so much more to which we could definitely guide ourselves and so much more about which we could definitely learn. I know to some extent when we create these monoliths within the structure of our country they become forces unto themselves, but they, too, could be subjected to abuses through nepotism, through all the other negatives with which I am sure we are not unfamiliar, cronyism and all these sorts of things. I still, as I mentioned before—like all of us here—have hope in our country and hope that we will definitely make an impact through even the small palliatives that are before us. Thank you. [*Desk thumping*]

**Sen. Carolyn Seepersad-Bachan:** Thank you, Madam President, for allowing me to make a short contribution to this debate on the National Insurance (Amdt.) Bill, 2004.

Madam President, many of the speakers who have gone before me have said a lot on this particular Bill. Particularly I want to commend some of these speakers; my colleague, Sen. Wade Mark, Sen. Sadiq Baksh, Sen. Dr. Jennifer Jones-Kernahan, Sen. Parvatee Anmolsingh-Mahabir and Sen. Bro. Noble Khan, because the concerns I have heard here this evening are concerns I have had for years, ever since I knew about the National Insurance Scheme. It was a system that no one really comprehended but, you know, when you started off as a young person working you just felt that you had to contribute because it was compulsory and it was not that you could question it. It was just given and you complied.

When I went through this Bill, I had the opportunity for the first time to look at this piece of legislation and it really brings many questions. I support my colleague, Sen. Baksh, in that I think the time has really come for us to understand whether or not we need to rehaul this system, and, not because it was there from 1971 to now, you know, does it mean that we have to continue

and struggle with it. Sometimes you try to build a home or you try to renovate a house and you say, okay, after you a while you recognize that, after all the troubles, “Probably what I should have done was just knock it down and rebuild it.” I think this is why the United National Congress, during the 1995 to 2000 period, looked at the pension reform system and I know this is engaging the attention of this current administration.

What was interesting, Madam President, is that I tried to put together all the pieces of legislation—all the amendments that have gone by for the last decade. I also had an opportunity to look at some of the past actuarial reports. There were so many comments, et cetera, but one thing that was very evident in each report is the continued marginalization of this particular system. Why is there this perception about this continued marginalization? Why is it not relevant any more? Why is there this perception that the system is not relevant and is being marginalized?

Madam President, as I am on the actuarial reviews, and I think one of the speakers before me did it, I also want to endorse the point that we cannot be looking at bringing every time you have an actuarial review—of course there will be recommendations and each time there will be a package of legislative measures, but what I find very difficult is, when I look back over 1990 to 2000, you would see that there was an actuarial report sometime in 1991 which was not tabled in this Parliament until 1993. Similarly, there was an actuarial report in 1995 which never found its way into this Parliament until 1999. So if we look at when there was any sort of response to the actuarial review, it has taken place over a three- to four-year period.

Obviously, the way our world right now is so dynamic—our dynamic economic conditions—there is no way that we can respond in a timely manner with this legislative package. I think Sen. Anmolsingh-Mahabir made that point, that we cannot be trying to bring forth legislation, especially when we are dealing with a scheme like this that is dynamic, and hope to amend it and to meet the needs four and five years after. That legislative package has to be out of sync, totally. So, Madam President, on that basis I just wanted to make two or three comments.

One is—and, you know, based on Sen. Christine Sahadeo’s comments, there was the issue of the investment policy. Before I go to the investment policy I

just wanted to say that the Minister, Sen. The Hon. Conrad Enill, in his opening contribution talked about the National Insurance Scheme being able to provide a meaningful service, if you look at the current administrative cost, the contribution rate and when we look at the payback period. So he looked at the contributions, he took a couple of earners who made contributions across different classes and he gave us some figures and he said, "If I look at their total contribution and then I look at the time when they do retire, when they earn these benefits and I add those benefits up, I almost have a payback period of two to three years when the life expectancy may be another 16 years."

You see, I have a little problem with that sort of analysis and probably it may be very favourable from that perspective but when we look at contributions being made 15, 16, 20 years ago, we certainly have discounted the time value of money. You cannot take that and tell me that—it was intended to do just that. I am supposed to be able to get 16 years or so of being able to be provided for when I make my contributions 20 years before, because I must take into account the time value of money. Why is that?

This is a compulsory system, as Sen. Seetahal mentioned. If this were not a compulsory pension system, would it have been able to survive? It would not. Why? If I compare it with other pension schemes, for example, their investment portfolio is such that the appreciation and the yield from that investment allows me to even take a contribution holiday, Madam President and in this case I have never heard anything about a contribution holiday in the NIS. What happens instead is that every time—and again I do this by looking at what has happened with the actuarial reports, of '91, '95, and the last four years of the income and expenditure account, the annual review.

If you look at that trend you will see that what happens is that every time we run into a problem and you find that the fund ratio is down or that there is a possibility that there will be marginalization of the scheme or that the benefits are no longer of the value and the administrative cost goes up, your immediate reaction is to raise the contribution rate. What that means is that the way this scheme is being carried is that every time somebody retires and you recognize the financial burden, you call upon the younger earners to carry that burden, which is what is happening here, and that is the trend that I have picked up when I looked at these various reports.

Madam President, even if I go back as far as the 1991 report, 1993, then to 1995 and even these annual reviews, you will see that they talk about the fund ratio, and when you look at that fund ratio, for example, in 1991—you know,

actuaries, we may say sometimes they are not very deterministic, probabilistic, it depends on what perspective you want to take up with an actuarial exercise—one of the things that this particular actuarial report mentioned is that this fund was actuarially insolvent and you know that was an amazing thing. I saw this here in this report and I wondered how the NIS survived if at that point in time in 1991 it was actuarially insolvent.

When you look at the trend here they gave you a table and it showed you the various reserves and so on, whether it was the short-term reserves, the long-term reserves, the employment injury, et cetera, you looked at the contributions and you looked at the investment yield and rightly so, during the years of 1986 to 1990, what was actually happening was that whereas the contribution was not able to defray the cost of the benefits, the expenditure in terms of benefit, the income yield from the investment was able to carry it. What started happening later on from 1991 to 2000, based on their projection, they recognized that even the income yield added to the contributions would have been less than the total expenditure for benefits. As a result of that, they were saying that what would have been happening to this scheme is that the National Insurance Board would have had to liquidate its investments to be able to carry its expenditure, its liabilities.

Madam President, I raised this because they raised the issue of fund ratios and they did a comparison of fund ratios for other such systems globally and what they came up with is a recommendation to the Government at the time that whatever they put in place, the contributions or however they adjusted the contribution rates and the benefits, et cetera, and the legislation, they ensured that the short-term reserves carry a fund ratio of one. The fund ratio is really the revenue at the start of the year over the expenditure that you project for that year. So if you come up with it means you can carry that expenditure for the next year.

So they said, okay, for short-term we recommend a “1” and, since things are not static, what we suggest is that you get that fund ratio to operate between 0.8 and 1.25, et cetera, so that you will get an average of “1”, but the short-term reserves, Madam President, as I think Sen. Anmolsingh-Mahabir mentioned and the Minister, is just about 8 or 9 per cent of the total capital base. For the long-term reserves, which is about 85 to 89 per cent, what was suggested is that on average you should keep a fund ratio minimum of 8 but, you know, in a more optimistic case, a fund ratio of 10. If you keep it at 8 then you should operate between 6 and 10 because, again, these funds are not going to be static. What

that was saying is, if you keep it at 10 at least you know you have afforded more protection for the future benefits and liabilities.

I am bringing up this point because what I really want to ask the Minister—because I did not see it and, again, because we did not have the 2000, the latest annual review, for us to get an idea and none of the reviews really was giving you an idea of what the fund ratios have been like or what has been the trend—is if he had any idea how this has been operating. From what I see here, that is their basic performance measure that they must use to determine how well their long-term—how well they are performing. So I wanted to find out from the Minister.

It is unfortunate that we did not have the 2003 report but, you know, Madam President, I was a bit curious because when this issue came up a little earlier, I heard the Minister saying that that report was made public, and, according to section 13, this was supposed to have been tabled three months after June 30, which is the end of their financial year, in this Parliament. If you look at the amendments of 1999 you would see that they had expanded the different requirements for that report including things like contribution income, et cetera. What is interesting is that I found that the report was not tabled here yet it was made public. I was always of the impression that the report being made public was because it was tabled in Parliament and that, Madam President, I was—

**Sen. Enill:** Madam President, the Senator is correct. The report at this time has not been made public. It, in fact, has been sent for parliamentary laying, so I wish to correct that. At this point it is not public.

**Sen. C. Seepersad-Bachan:** Thank you, Mr. Minister, through you, Madam President. So, Madam President—okay, so that has been corrected.

One of the other issues I wanted to raise is that Sen. Christine Sahadeo mentioned the issue of the new dispensation of the National Insurance Board and Sen. Conrad Enill also spoke about the board becoming very customer focused and improving in terms of its efficiencies and so on and I recognize that, you know, as we go along we recognize that we have to bring down the administrative costs. However, Sen. Sahadeo also mentioned that the board would be taking an approach to its investment policy and that is looking at more equities and, you know, somehow an alarm bell went off.

Whereas you cannot tell a board—and they must explore as much as possible the investment portfolio in terms of maximizing the returns, one of the things I wanted to say—because when I looked at the various reports here, there

is and there has been some form of a trend because if you look at the investment portfolio—and I am just taking two years. There are about three years here but let me just take 2001 and 2002—the fixed deposits were about 20 per cent and the equities were about 18 per cent, the debentures were about 3.8 per cent, mortgages is about 4.4 per cent and the investment income actually went up by 6.4 per cent. Now, if I go to 2002 I would see that the investment portfolio grew by 21 per cent. I am not sure if probably they meant—probably it is the capital appreciation. Yes, it is capital appreciation because it went up from \$6.2 billion to \$7.5 billion and that is at market rates.

Now, the equities here somehow went to 9 per cent, the debentures were 3 per cent and so on, so I was not too sure what was actually happening, and the Government securities and other bonds were at 44 per cent. However, Madam President, I raise this issue because I would expect, based on the portfolio mix that I am seeing here, that a lot of the investment income came from the fixed deposits, et cetera, which were used in terms of, as I just mentioned before, defraying the cost of the benefits that are payable to the pensioners and so on, whether they are short-term or long-term benefits. Therefore, I had a little concern, because when we start talking about moving towards the equities, we have to be careful that we are not talking about—you may gain capital appreciation and there is a risk because one day you will get up and find that the fund is at \$7.5 billion according to market rate and the next year it might be down to \$6.4 billion.

So what happens if you have an actuarial review at that time? Probably the Minister could shed some light on that. Are we going to get legislative measures every time in terms of adjusting the contribution rates whenever there are fluctuations because your portfolio mix has a higher percentage of equities? Secondly, if you reduce the percentage in the fixed deposits, et cetera, those investments that yield income as opposed to equities which may not yield as much income in terms of dividends but you may get more in capital appreciation, what happens when we are looking at that issue of your fund ratio and being able to fund or defray the cost of your benefits? So these are some of the issues that just came to mind which I wanted to raise and at least highlight.

The other thing that I wanted to find out is, I have seen several times the accumulated reserve mentioned even in the reports and I noted that in one of the reports the accumulated reserve in one year was being used to partially fund the shortfall, the administrative expenditure cost because, again, it was probably exceeding the number of investment income and the number of contributions for

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that year, so it called on the accumulated reserve. I noticed in the accounts that for each of the funds, whether it is the long-term reserve, the short-term reserve, et cetera, part of their expenditure is not just the benefits, et cetera, but some transfers to the accumulated reserve. As a result of that I was wondering what is the purpose of moving it to the accumulated reserve? I do not recall. Is it a contingency type fund? Is it for excess revenue and so on? I just wondered about that.

Secondly, and to close off, Madam President, and I just wanted to reiterate this point: when there was surplus in pension funds we got contribution holidays. When there are surpluses in this particular case of NIS, it appears to me it goes into the investment and when things get hot and things get hard, normally in pension schemes the surplus is what kicks in so that you do not have to drastically increase contribution rates.

On that basis, Madam President, I thank you for this contribution. [*Desk thumping*]

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** [*Desk thumping*] Thank you, Madam President. Madam President, at the outset I must say that I am extremely happy with the comments made by all the contributors and the NIB would be requested to deal with all those issues to which, at this point in time, I am unable to respond. Notwithstanding that, I will attempt to deal with most of the items that have not been addressed.

The first one I want to deal with, though, is the question of the National Insurance Board because, during the course of the contributions, there seemed to be a lot of discussion about where the responsibility should lie for some of the issues that were raised which clearly are governance and management issues. On the last occasion we pointed out that the board was composed of representatives of labour, the business community and the Government and there is a tripartite arrangement that governs that particular activity. There was also much discussion on the investment of the NIB funds and, in a sense, that is also covered by the investment committee which is part of the administration of the board, and it is composed of the same kinds of representative groups: the business community, the labour unions and representatives of the Government. Let me, therefore, try to deal with some of the comments that were made that have not been dealt with.

Sen. Mark talked about the question of write-offs. The National Insurance Board sought the approval of the Parliament on January 21, 2004 to write off \$46,506,653.17 in statute-barred debt arising out of the board's mortgage

portfolio and \$1,102,604.64 of irrecoverable debt which represents employers' arrears of national insurance contributions. In the information that was submitted to the Parliament, it states that as at December 31, 2002 there were 271 mortgage accounts where the mortgaged properties have been sold over the period 1987—2002 and the principal shortfalls after application of sales proceeds totalled \$46,506,653.17. In all instances, the outstanding sums cannot be collected because the accounts are statute barred, that is, a period of 12 years has elapsed from the last payment or court judgment. Full provisions for these losses have been made in the National Insurance Board's accounting records over the corresponding period ending December 2002.

It goes on to indicate, Madam President, the following reasons for cases becoming statute barred. There were 136 cases at a cost of \$23.37 million where the mortgagors migrated, that is to say, they left and the properties were, in fact, sold, the sales proceeds applied to the outstanding balance and that resulted in a \$23.37 million write-down on that particular amount. There were 43 cases in the category of mortgagors migrated, cannot be located, are deceased or assessed to be persons of straw—\$7.83 million. Seven mortgagors cannot be located—\$1.27 million; \$5.59 million—mortgagors are deceased; \$43 million—policy of completing the sales proceeds before seeking judgment for shortfall; \$22 million—no evidence on file to suggest that efforts were made to collect them; mortgagors are deceased or assessed to be persons of straw—\$15 million. That really was the statement that was made by the board. The board made this request to the Minister, the Minister, in accordance with the Act, brought it to the Parliament, complete with all the information, and I believe that it was passed in the other place. So that, insofar as that particular question is concerned, that is the information on record.

The NIB, in getting to this particular place, took various positions regarding the future funding of the NIS and sought to find the best solution based on looking at all the alternatives. The first time we looked at this particular matter, there was a cost that was arrived at and I think it was in the vicinity of some \$256 million in which the first position was that the State should pick it up, but one has to bear in mind that right now the State allows each individual to claim 70 per cent of whatever is paid. So the State is, in fact, picking up some amount of the payments made by individuals and the—70.

**Sen. Seetahal:** The claim is 70 per cent if I may say, Minister, but the State is just not taxing that, which means, if the maximum rate of taxation is 35 per cent, the maximum that the State is giving is 35 per cent of 70 per cent so—

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

**Sen. Seetahal:** You know, I just wanted to make it clear, it is not 70 per cent.

**Sen. The Hon. C. Enill:** No. The point I am making is that, even with this increase, the State is going to be giving up some amount of income tax revenue. The other piece of this, of course, is that these increases will affect state employees, all 65,000, and therefore the State itself will also find that it has increased cost in dealing with all of this. Why is this happening? Well, this is really happening because you are attempting, at this point in time, to create a situation in which those individuals who are, at this point in time, requiring support, are getting support at the level of \$1,000 per month at a minimum. That is really what you are attempting to do and this is the best formation based on all the discussions that we have looked at, and, at the end of all the discussions, this is what came forward from the board of the NIB.

Insofar as the domestic and casual workers' provision is concerned, this particular amendment is attempting to give the worker the opportunity to register in the situation where historically, over time, their employers have not registered them and, therefore, to the extent that they have not been registered, they cannot get benefits under the system. What we are simply seeking to do here is give the domestic or casual agricultural worker—and everybody is correct, these are the people who are most vulnerable—the opportunity to themselves register if their employer does not so do.

In terms of the salaries—well, the salaries that are paid to NIB workers are, in fact, done through a collective bargaining process and that process is currently taking place. I do take the point, though, that, in terms of the investment portfolio, we need to have a look at the human resource within that particular environment. The fact that it is currently done at this point in time, though, is that the investment committee I think—I am sure—sets the policy and manages that investment portfolio based on submissions by the technical staff within the NIB based on actuarial assumptions and based on reviews that are conducted on a normal basis. It seems on the basis of the actuarial report that that has served us well and I know that the board is looking at ways to strengthen that particular activity.

Sen. Mark talked about the question of the pension and the NIS. In looking at the old age pension versus the NIS, the Government's position was that, in increasing the benefit to \$1,000, no individual should receive any sum less than

they were at the present time. That is to say, it never was the intention at this time to take the two systems and use them as the basis for looking at the payment of pension plans. So that an individual today who received \$1,000 if you will, or \$900 and received \$500 in an NIS benefit will simply get, instead of \$500, \$1,000 and that additional revenue does not find itself as yet into the formula for determining pensionable activities.

That is so because it is a very complex issue, and, in the short-term, when we looked at the qualifications and looked at the minimum numbers, we found ourselves in a situation where, at any time that you looked at it, some group of people would have been disadvantaged and therefore what we felt we should do is simply leave it as it is, top it up, as it were, and look at the harmonization issue when the committee that is currently looking at total pension reform has an opportunity to look at the issue and come up with some kind of formula that will provide equity. At the same time, the capabilities of the Social Services Delivery Ministry are also increasing so that we can more effectively target those individuals who are, in fact, in need.

Sen. Seetahal talked about the 750 contributions. The tables were done to revalidate the 750 contributions; that is to say that currently, if we did not revalidate the 750, it meant that, as a consequence of the increase, individuals who had contributed would be receiving exactly what they had been receiving now, and that was not the intention. The intention was to use the thousand as the base and then revalidate it, and that is what this table does.

There have been a number of comments about very little faith in the NIB and I think the reason is that the NIB needs to do a "lil' bit" more work in promoting itself as an institution that has value and that can respond. And I am aware that in the new planning horizon, in looking at their activities for the future, a very significant portion of their forward activity has to do with customer service initiatives. I am aware, for example, that currently they are looking at setting up a number of service centres throughout Trinidad and Tobago. I opened one in Point Fortin a month or so ago.

### **7.10 p.m.**

What they are really seeking to do is to try and understand what is required in order to make a citizen who comes into the office comfortable and how they can deliver a level of service in a most effective manner with all the conventions of customer service efficiencies that we are talking about. I think they have started the process, they have started the discussion and that continues.

The investment portfolio mix of the NIB at this time is really skewed towards, I think, Government bonds. If I can tell you what the portfolio mix represents at this point in time, fixed deposits for 26 per cent; mortgages, 2 per cent; equities, 17 per cent; debentures, 3 per cent; investment in subsidiaries, 3 per cent; Government securities and other bonds, 47 per cent; and real estate, 1 per cent.

So that is currently the portfolio mix that gives them the coverage that they are looking for based on the fund ratios, because the actuaries have said until the next review, the fund ratios should be maintained in the following multiples: long-term benefits, six to 10 times; short-term benefits, 0.75 to 1.2; employment injury benefits, six to eight times, and this portfolio is geared to do some of that.

Madam President, there was a comment made by, I think it was Sen. Dr. Kernahan, who said bring the hard decisions and we will deal with them. I really want to believe this to be a correct statement, because I think that there is such an opportunity that we have and it has to do with the Police Reform Bill. I just wanted to say to her that if that is in fact so, then we do have an opportunity to deal with this particular matter in the interest of all the people that we keep talking about.

The working committee on pensions, Madam President, is constituted in such a way that it reflects all the stakeholders. The issue that we have as it relates to pension reform is a troubling issue for me, because in doing that particular exercise, we have seen where the question of pension pay as you go is not sustainable. The decisions that we would have to take would be, in a sense, to find a way to get assets that we can hold, the income from which will sustain it, and that is really a challenge. We are aware of it and we are working towards it.

This Bill, Madam President, was presented on the basis of the assumptions made by the actuaries. As you know, the report was done in three very specific phases. Phase one consisted of initial analyses of data, in particular, the demographic and financial data and the determination of the basis to be used in the review. It also covered an assessment of all the data and the identification of weaknesses. That was one part of the exercise.

The other part dealt with the recommendations. It dealt with unresolved problems associated with the data. The other section of the report talked about a base scenario based on the information. It discussed relevant factors. Then the other section of the report talked about potential risk factors and, basically, it gave some analysis of where we are based on particular scenarios.

Actuarial review, pension planning and those kinds of activities are very difficult issues, because it takes into account information and, in most instances, the quality of the report or the quality of the information is clearly based on what is available, and we have not, as a country, been known for accurate data.

Madam President, the issue of the net for the self-employed, I am aware that the NIB is consistently looking at ways and means to get more self-employed people into the net and, as Sen. Christine Sahadeo mentioned, we are going to be looking at mechanisms by which Inland Revenue can get involved in the Act as well so that we could get compliance up. The only point I wish to make on widening the net is that if you widen the net, you also increase the liability, and that is clearly something that one has to look at.

Madam President, Sen. Baksh said that not one single contributor can attest to the success. He is right. My information tells me that 109,740 persons are receiving benefits. [*Desk thumping*] Eighty-five thousand receive long-term benefits.

The system, for all its weaknesses; the system for all its inefficiencies; the system for all that we think is not right with it, provides a benefit for a segment of our society who, under normal circumstances, would not have access to anything at all, and I think, Madam President, that the Bill before the House today seeks to improve on that system. It seeks to build on what we have had, as imperfect as it may have been for 32 years, and it also seeks to give us some comfort in looking at the future.

With those few comments, Madam President, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

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

*Senate in committee.*

*Clauses 1 to 5 ordered to stand part of the Bill.*

*Clause 6.*

*Question proposed, That clause 6 stand part of the Bill.*

**Sen. Seetahal:** Madam Chairman, that domestic worker definition says:

“means a person employed otherwise than for the purpose of a trade or business...”

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The definition of "employed person" in the definition section, section 2 of the original Act, is a person in receipt of earnings in respect of employment. Employment means any trade, business, profession, office vocation or apprenticeship. The reason I asked, "domestic worker" does not have anything about profession, vocation or apprenticeship there. But then it continues:

"who performs services for the comfort or convenience of a household...and includes such employed persons as may be prescribed."

Now I am just wondering if the fact that in the definition of "domestic worker" they do not include "business, profession, office vocation or apprenticeship" and then they go on to include employed persons, whether there is an inconsistency there. Maybe the drafting persons can tell us that.

**Madam Chairman:** We will come back to that.

*Clause 6 deferred.*

*Clause 7.*

*Question proposed,* That clause 7 stand part of the Bill.

**Madam Chairman:** Hon. Senators, the amendment to clause 7(3), as circulated, would read:

In the new subsection (4), delete the words "between sixteen and sixty years" and substitute the words "sixteen years of age and over."

**Sen. Mark:** Madam Chairman, this provision here, the Minister said earlier that it does not violate the various children's Acts, but I recall we recently passed the Occupational Safety and Health Authority Bill and there was a definition of "child" in terms of age. Was it not 18?

**Sen. Seetahal:** Maybe I could assist. In the Children Act, a person under 14 is a child and a person between 14 and under age 16 is a young person, but for the purposes of the Occupational Safety and Health Authority Act, I think "child" included a person under the age of 16 for that particular Act, too, but there were some amendments made in 2000 where the Children Act was to be amended. In fact it was passed. So a child would be a person under 18, but that has not been proclaimed. It was actually passed.

The Children Act is what guides what the definition of a child is, if I may say so, and a child is a person under 14. A young person is a person from 14 to under 16, but that was amended by an Act which is still to be proclaimed. I think it is Act No. 68 or 62 of 2000. This is in response to what Sen. Mark is asking.

The point I am asking is since that unproclaimed Act is hopefully to be coming into effect soon, do we still want to have 16 here, or do we have to come back again and say that? The Bill amending the Children Act was passed, assented to, but not proclaimed.

*Question put and agreed to.*

*Clause 7, as amended, ordered to stand part of the Bill.*

*Clause 8.*

*Question proposed, That clause 8 stand part of the Bill.*

**Sen. Mark:** Madam Chairman, we expressed some concern earlier about putting the onus on the domestic worker or the casual agricultural worker, and trying to revisit that approach, and I was wondering, for instance, whether the hon. Minister did not give that some consideration, having regard to the fact that these groups, as they admitted, are the most vulnerable groups in the society. Also, whether we should not really put the onus on the employer and if we have proper compliance at the level of the NIB, then the law would be enforced, rather than putting the responsibility on the domestic worker and the casual agricultural worker.

**Sen. Enill:** We considered that, but if you note, it says “may” and not “shall”. This, therefore, gives the worker an opportunity to do it in circumstances where historically our information is that the employer does not do it. This is simply allowing the worker on his own, in the event that the employer does not do it, to go and do it. It does not put the responsibility for doing it on the domestic worker. It says he may.

**Sen. Seetahal:** Minister, I think there is a contradiction here. If we look at section 30, which was amended and it now stands under Act No. 9 of 1999 which you are now proposing to amend, section 30(1), which is what the amendment pertains to reads:

“Subject to this section, every employer shall make an application in the prescribed form which will now be in the form determined by the Board...”

That is what you have there. Then your amendment at a(ii) is now going to read:

“for registration of each employed person, except a domestic worker or casual or agricultural worker,”

So, your amendment which is now being proposed under this clause 8, is to say that the employer does not have any duty to make an application for registration for a casual worker or agricultural worker.

When you say that if the employer is not doing what he is supposed to do, then the agricultural worker may, it is not exactly correct, because the employer has no duty under the original section 30 or under your amended section 30. What you have done is moved what you had as 35 before, which says, “Nothing in this section should apply to a domestic worker or casual agricultural worker.” Now you are seeking to retain that by a(ii) which says that “very employer shall make an application for registration of each employed person except a domestic worker or casual agricultural worker.” That is what you have there. Therefore, the only person who will be registering would be the domestic worker or casual agricultural worker, as Sen. March is saying. He is the only person and he will only be registering if he knows about this.

Furthermore—this is my contribution here—when you say “within three months from the date of his first employment”, all those people who were never registered will not be able to register. If I have a person who cut the grass for me for the last two years, he cannot register. So, he is not going to be benefiting. So too would be a domestic worker you had for the last two years, because the three months would have gone. The 28 days would have gone. That is the deficiency in this provision, and it is not cured by saying—well you understand my point.

**Madam Chairman:** The Minister says we will come back to it.

*Clause 8 deferred.*

*Clauses 9 and 10 ordered to stand part of the Bill.*

*Clause 11.*

*Question proposed, That clause 11 stand part of the Bill.*

**Sen. Ali:** Madam Chairman, under that table A2, page 18 of the document has no title. This is an editorial matter.

**Sen. Seetahal:** I think when we come to clause 19 which would encompass that, then the amendment would have to be to include A2 at the top there.

*Question put and agreed to.*

*Clause 11 ordered to stand part of the Bill.*

*Clauses 12 to 17 ordered to stand part of the Bill.*

*Clause 18.*

*Question proposed, That clause 18 stand part of the Bill.*

**Sen. Enill:** Madam President, this particular inclusion is to deal with retirement pension, invalidity pension or survivor's benefit.

**Madam Chairman:** Hon. Members, the amendment to clause 18(c) to be inserted after 4C reads:

Insert after the proposed subsection (4C) the following subsection:

“(4D) Persons who qualified for the receipt of retirement pension, invalidity pension or survivor's benefit prior to 1<sup>st</sup> March, 2004 and continue to be eligible to receive such benefit on or after 1<sup>st</sup> March, 2004, shall be paid increased benefits in accordance with Tables B3 and C3.”

*Question put and agreed to.*

*Clause 18, as amended, ordered to stand part of the Bill.*

*Clause 19.*

*Question proposed, That clause 19 stand part of the Bill.*

**Madam Chairman:** There is an amendment circulated which reads as follows:

Insert below Tables A1, A2 and A3, respectively, the following:

“Contributions payable by an employer in respect of employment injury coverage for an employed person who has not yet attained the age of sixteen years or who has attained the age of sixty-five years, shall be as set out in Class Z, and for an unpaid apprentice shall be \$1.00 per week.”

*Question put and agreed to.*

*Clause 19, as amended, ordered to stand part of the Bill.*

*Clause 20.*

*Question proposed, That clause 20 stand part of the Bill.*

**Sen. Anmolsingh-Mahabir:** Madam President, Table D3, Employment Injury/Death Benefit, page 24, widower is omitted. I am referring to column four there where there is weekly widow. We are supposed to add widower in there because it was omitted and, also, dependent orphans, so it will have a logical following from Table 3C.

**Madam Chairman:** So this is the amendment I think we have here.

**Sen. Enill:** Madam Chairman, the particular amendment is as it relates to including widower under weekly and widower under monthly, with respect to the orphans provision, I am advised that that is dealt with somewhere else. So it

is only the widower. The amendment is going to be weekly widow/widower in Table D3 at the fourth and fifth columns.

**Sen. Seetahal:** Just for completeness, Table C3 which is on page 23 and all the pages with the word dependent, I think “dependent parent” was an “e” and not an “a”. “Dependant” is the noun and “dependent” is the adjective. If we want to be totally consistently wrong, we could have the “a”. It is recurrent.

**Madam Chairman:** The amendment to clause 20 will read:

In Table D3 in the fourth and fifth columns insert after the word “widow” the word “/widower”.

*Question put and agreed to.*

*Clause 20, as amended, ordered to stand part of the Bill.*

*Clause 21 ordered to stand part of the Bill.*

*Clause 6 reintroduced.*

**Sen. Jeremie:** The question is whether the definition of “domestic worker” as it refers to the word “employed” refers back to “employed persons” in the original Act 32:01. “Employed person” in that Act speaks to paid apprentice, person in receipt of earnings in respect of employment, and it includes a self-employed person. But “employment” which is more relevant, includes any trade, business, profession, office vocation or apprenticeship.

What has been done is to use the word “employed” only in a generic sense, not by reference to “employed person”, so that you are really looking at the word “employment” in the parent Act and you are taking out “trade and business” to speak to the normal case of a single domestic worker. This is not someone who carries on business at Megabrite, for example. It speaks to a profession, an office vocation or apprenticeship. This is the explanation from the draftspeople.

**Sen. Seetahal:** The inclusion of employed person does not create any anomaly because you have prescribed separate employed persons?

**Sen. Jeremie:** Yes.

*Question put and agreed to.*

*Clause 6 ordered to stand part of the Bill.*

*Clause 8 reintroduced.*

**Sen. Enill:** Madam Chairman, the intention at clause 8(5) is to give the domestic worker or the casual agricultural worker the opportunity, in circumstances in which the employer does not register them, to go and register themselves. In those circumstances, the liability of the employer to the board for payment of contributions is established. This allows that to occur, because historically we have found that the employer does not register these workers and, in the current situation, the workers do not have a right to go and register themselves. What this is seeking to do is give them that right.

**Sen. Seetahal:** There is no onus on the employer. The employer does not have, because you have said here, except a domestic worker or casual employment. Despite what you are saying, there is no obligation on the employer because you have specifically exempted him, so to suggest that he is choosing not to, like if there is an obligation, there is none. I think what we were trying to address is why should there not be one? Why is it exempt?

**Sen. Jeremie:** We are advised that there is an obligation on the employer. It is general in scope. It is to be found in section 30 of the parent Act. This is 30(1). It says:

Subject to this section, every employer shall make an application in the prescribed form—

- (a) for registration as an employer within 14 days of employing his first employee;
- (b) for registration of each employed person and each unpaid apprentice.”

So that, I am told, is generic and covers domestic workers, but the practice has not been for employers to speak to domestic workers, so what has been done is to give the domestic worker a specific right to register himself.

**Sen. Seetahal:** Mr. Attorney General, “employed person” under the Act does not cover domestic workers or agricultural workers, by definition of what “employed person” is under the original Act, if you have it. We just went into domestic worker and that is why they had to say it includes specific categories of employed persons.

If you are telling me now that section 20 is general and puts an obligation on the employer to register agricultural workers and domestic workers, or if your advisors say so, I would have to say I reject that because that is not so.

I further have to say go back to 29 where you are now saying there is no obligation to register them, it just does not make sense. The purpose of the Act

is not to include the domestic worker. If you want to force a strained interpretation, but this amendment that you are now proposing, Minister, at clause 8a(ii), if I were interpreting section 30 and I saw section 29 saying “except a domestic worker or casual worker”, because what you have here after the words “each employed person except a domestic worker or casual worker”, I would imagine that that means they are exempt.

**Sen. Jeremie:** Section 28, as amended, deleted “casual agricultural worker” and “domestic worker” and we now included the definition of “domestic worker” there, so you have to read the amendment together with the parent Act. If you are reading the amendment together with the parent Act, then the argument is that the generic words, the broad words in section 30 would cover the situation.

**Sen. Seetahal:** What I am saying, that employed person does not include domestic worker. That is why your new definition of domestic worker has to state at the end, “and includes such employed persons as may be prescribed. If “employed person” already included “domestic worker”, your definition of domestic worker would not have to say “and includes such employed persons as may be prescribed” and you prescribe restrictively only a few employed persons. “Domestic worker” would have been caught under “employed person.” You would not have to say “domestic worker” means this and includes a limited category of employed persons.

**Sen. Mark:** Madam Chairman, if we go to the parent Act and look at the definition as Sen. Dana Seetahal is saying, we will see, for instance, how the employer is a bit circumscribed and I would like to probably bring some degree of clarity as it relates to incorporating and ensuring that the employers are responsible for registration.

What I am suggesting, Madam Chair, is that maybe the solution lies in amending the definition of “employer” in the parent Act and I was suggesting, hon. Minister, that employer includes, but is not restricted to, a person or entity to whom another is apprenticed and includes employers of domestics and/or casual agricultural workers. If we incorporate that in the definition, then even if you come with the voluntary arrangement where the person can exercise discretion, you will still have an obligation under the definition section for the employer to be responsible.

I would like the hon. Minister to consider changing the definition in the parent Act as an amendment to make the employer accountable, and the onus

should be on him, and still keep your amendment in terms of moving “shall” and putting “may” so that the domestics will also have that responsibility if they so desire, but the onus will be on the employer.

**Sen. Enill:** Madam Chairman, I am advised that the way this is currently worded provides us with the remedy that we are looking for.

**Sen. Mark:** That is wrong.

**Sen. Enill:** That is what I am advised.

**Sen. Mark:** You are being misguided. They do not understand what they are doing. [*Laughter*]

**Sen. Seetahal:** Minister, through the Chairman, you said certain things initially and it did not seem to flow, and now the last thing we are told section 30 covers it, and if you read section 30(3), you would see that:

“Nothing in this section should apply to a domestic worker or casual agricultural worker, but every such worker shall in respect of each employment, as such, himself make an application for registration.”

So there is still no onus on the employer to register. That is all I am saying and I think this is what Sen. Mark is saying. There is no onus on the employer to register and why is it, it is not there? Furthermore, if you are giving the employee a right, why are you limiting the time? I think your draftspeople should read the whole section.

**Sen. Mark:** Madam Chair, I would like to call on the hon. Minister to consider once again redefining the employer in the definition section of the parent Act and if that is done, we solve the problem. I would like to suggest that whilst he is contemplating the amendment, that we take a break Ma'am. [*Laughter*]

**Sen. Jeremie:** What I am told by the draftsmen is that the section that we were looking at has now been repealed. It was repealed by Act No. 9 of 1999 which provides a section 12 as follows:

“The Act is amended by repealing section 30 and substituting the following section:

30 (1). Subject to this section, every employer shall make an application in the prescribed form—

- (a) for registration as an employer within 14 days of employing his first employee;

(b) for registration of each employed person and each unpaid apprentice of whom he is the employer within 14 days of employment,

if such employed person or unpaid apprentice does not provide a National Insurance registration number within seven days of employment.”

**Sen. Mark:** Where is domestic?

**Sen. Jeremie:** The question is that employer extends to all employers.

**Sen. Mark:** No, no. We want domestic included there and casual agricultural worker.

**Sen. Seetahal:** Mr. Attorney General, are you not amending 31(b) to say “except a domestic”? Is that not your proposed amendment? I come back to that. This is what you have proposed.

**Sen. Jeremie:** It goes all the way down. If you look at sub (5), “nothing in this section shall apply to a domestic worker or a casual agricultural worker...”

**Sen. Seetahal:** Now you are repealing that. That is going to be repealed today and you are substituting in (b), Attorney General, if you will just read with me:

“Subject to this section, every employer shall make an application in the prescribed form for registration of each employed person except a domestic worker or casual agricultural worker.”

That is what is now going to come. When you say that is a generic section, if it says except, how could it be generic? That is what your amendment is at 30a(ii). That is what I was saying at the outset to show you that you are bringing back what was in the original 30(3), what was in the second 30(5). It is the same thing you are repeating.

**8.10 p.m.**

**Sen. R. Montano:** Madam Chairman, I have been listening to the arguments gong back and forth; it seems that everybody is getting really confused here. In plain language, what are you hoping to achieve? Are you trying to exempt employers of domestic servants? They are already exempt. Are you trying to bring them in? What are you trying to do?

**Sen. Enill:** I am trying to bring them in.

**Sen. R. Montano:** You are not doing that.

**Sen. Enill:** The way that we are proposing to do it is to allow the workers the ability to register themselves.

**Sen. R. Montano:** In other words, I am an employer of a domestic worker; the domestic worker registers himself or herself and tells me that he or she has gotten a number, and I must pay now?

**Sen. Enill:** Yes.

**Sen. R. Montano:** That is how you propose to bring me in? I do not mean me personally; me, the employer. But if the domestic worker does not register himself or herself, I, the employer, am not brought in.

**Sen. Enill:** Currently you are.

**Sen. R. Montano:** I am speaking as an employer: Currently, I am not brought in; there is no obligation on me. [*Crosstalk*]

**Sen. Seetahal:** The proposed amendment says—that is what we have been going over and over again; they are reiterating the position to protect employers.

**Sen. R. Montano:** Mr. Minister, we are going around in circles. Let us understand something: Currently, the law is that I as an employer—that is yesterday; we are looking to pass something new today, but up to yesterday—did not have to register; it was optional. I could register my domestic worker or I could not, as the case may be. Once I registered the domestic worker, I had to pay, but if I did not register then I did not have to pay. You are saying that you want to bring me in? If you really want to bring me in, then the simplest way is to say that I have to register, but if you do not want to bring me in then continue to do what you are doing, because you are not going to bring me in now or ever. [*Crosstalk*]

**Sen. Seetahal:** My suggestion is instead of saying “except a domestic worker”, to say “including a domestic worker”. [*Crosstalk*] Could I make that suggestion, please, that for (b) where you are saying, “for registration of each employed person” say “including a domestic worker”, instead of “except”, because that would achieve what you want, which is to catch the employer. Why retain the same exempt position?

**Sen. Jeremie:** The advice is—

**Sen. R. Montano:** Let us forget about your advice. Let us deal with what you want, and then let us move from there.

**Sen. Jeremie:** No, the point is we have technocrats for a reason. The difficulty is that the law has not been consolidated, so we are each reading from separate versions of 32:01. [*Crosstalk*] On this side there are several versions of 32:01. [*Crosstalk*] Because 32:01 has been amended several times.

**Sen. Seepersad-Bachan:** It was amended in 1999, and we have both of them in front of us.

**Sen. Jeremie:** If you have that amendment in front of you, and you read section 12—

**Sen. Seepersad-Bachan:** I am reading section 12.

**Sen. Jeremie:** Section 12 says:

“The Act is amended by repealing 30 substituting the following sections (1), (2), (3), (4) and (5).”

We are repealing subsection (5), which is the one that says nothing in this section shall apply to a domestic worker or a casual agricultural worker and we are leaving the general words to define the circumstances.

**Sen. Seetahal:** With respect, Attorney General, you are bringing subsection (5) up to (b). You are saying, “subject to this section every employer shall make an application”, then you go to (b), “for registration of each employed person except a domestic worker or casual agricultural worker”. So you are merely bringing it up to subsection (b). You are including it; you are retaining it. So while you are deleting or repealing subsection (5), the Minister’s proposed amendment at page 7, clause 8(a)(ii) [*Interruption*]*—*it says “section 30 of the Act”. Let us look at it again with your 1999, and you would see subsection (i), then you move on to (ii):

in paragraph (b), by inserting after the words “each employed person”, the words “except a domestic worker or casual agricultural worker,” [*Crosstalk*]

**Madam Chairman:** I think they have got the idea now; let them discuss it.

**Sen. Seetahal:** I am suggesting that it should be, “for registration of each employed person including”. [*Crosstalk*]

**Sen. Enill:** That sounds good. [*Interruption*] I am guided.

**Sen. Seetahal:** If you want to include it, it would be included, so it would be, “for registration of each employed person including a domestic worker or casual worker and each unpaid apprentice”, so it should be “including”.

**Sen. Enill:** The same individuals from whom we get advice have agreed that using the word “including” will solve the problem; therefore, I am submitting that we use the word “including”.

**Madam Chairman:** Senators, please listen to the amendment so that we can take a vote on it.

**Sen. Enill:** The paragraph would now read:

“section 30 of the Act is amended in paragraph (b) by inserting after the words “each employed person” the words “including a domestic worker or casual agricultural worker”.

**Sen. Mark:** Madam Chairman, I want to get something clear and, maybe, Sen. Seetahal could clarify it for me. With that amendment would the onus now be squarely placed on the employer, and if they do not pay, would the National Insurance Board have their compliance officers deal with them?

**Sen. Dr. McKenzie:** Madam Chairman, I still think that we should have it both ways. From my experience, many of the persons who employ domestic workers do not register them, and at times when they go to work in another capacity and they are asked, “Have you ever worked anywhere before?” they answer, “Yes, as a domestic for four years or so,” “Do you have a number?” “I do not know.” “Were you ever registered?” “I do not know.” “Go to the National Insurance Board and find out,” nothing is there.

Madam Chairman, if you would forgive me, now is Carnival time, and we are late. I made up a jingle which says:

“If you are a domestic worker, or a casual agri worker, and your busy employer did not you register; go and register, take the bother. Go and register.” [*Laughter*] [*Desk thumping*]

What I want to say is public education. You put it in a nice form so that the domestic worker would listen to it; but you got the point.

*Question put and agreed to.*

*Clause 8, as amended, ordered to stand part of the Bill.*

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

*Senate resumed.*

*Bill reported, with amendment, read the third time and passed.*

**Madam President:** Hon. Senators, we will now take a short break and return. [*Crosstalk*] I think everyone has been asking for a short break. We will come back in half an hour at 8.55 p.m.

**8.24 p.m.:** *Sitting suspended.*

**8.55 p.m.:** *Sitting resumed.*

**Madam President:** Do we have a quorum? [*Interruption*]

#### MEDIATION (NO. 2) BILL

#### House of Representatives Amendments

**The Attorney General (Sen. The Hon. John Jeremie):** Madam President, I beg to move,

That the House of Representatives amendments to the Mediation (No. 2) Bill, 2003, listed in Appendix II be now considered.

*Question proposed.*

*Question put and agreed to.*

*Clause 8.*

*House of Representatives amendment read as follows:*

In line 7, subclause (2) insert after the word “programmes” the words “in a part reserved for such programmes of limited recognition”.

**Sen. Jeremie:** Madam President, I beg to move that the Senate doth agree with the House of Representatives in the said amendment.

That amendment is necessary because clause 8 is divided into two: 8(i) and 8(ii). Clause 8(i) speaks to preexisting mediation programmes and recognition of these programmes, that is why we have added the words “in a part reserved for such programmes of limited recognition”; so the register will have two components. With respect to pre-mediation Act recognition, that would be registered in a different part of the register.

In clause 8(ii), the board will have jurisdiction once it is satisfied that the programme passes muster to register the pre-mediation Act qualification, in accordance with the terms of the mediation.

I beg to move.

*Question proposed.*

*Question put and agreed to.*

*Clause 9.*

*House of Representatives amendment read as follows:*

In line 3, insert after the word “Commission” the words “, the Tobago House of Assembly”.

**Sen. Jeremie:** Madam President, I beg to move that the Senate doth agree with the House of Representatives in the said amendment.

That amendment is necessary because of a critical oversight. The Tobago House of Assembly (THA) at present plays an important role in mediation in Tobago, but it was not listed in the initial set of approved mediation agencies.

I beg to move.

*Question proposed.*

*Question put and agreed to.*

**Madam President:** Sen. Mark, the hon. Acting Leader of Government Business had the answers to your questions, but as you were not here I asked her to hold. We have just done the amendments, so before we move on I call on Sen. The Hon. Yuille-Williams.

#### ORAL ANSWERS TO QUESTIONS

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

**30. Sen. Wade Mark** asked the hon. Minister of Labour and Small and Micro Enterprise Development:

- A. Could the Minister 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?

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I apologize to Sen. Mark and other

Members of this Senate again for not being able to present the answer to the question. The Minister was unavailable. I understand that he was ill, and was not out even to the meeting this morning. I have since secured the answer. Because of the nature of the question, I have asked the Minister in the Ministry of Finance to respond.

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, the financing was secured by First Citizens Trust and Merchant Bank Limited on October 01, 2002, totalling TT \$36,800,000.

The details of the facility totalling \$36,800,000 were as follows: the type of facility—it was a fixed rate amortized loan; the term, three years; interest rate, fixed at 3.5 per cent per annum; structuring fee, 0.35 per cent of the loan amount; repayment, principal plus interest payable semiannually in arrears to commence six months after the date of disbursement; security, letter of comfort from the Government of the Republic of Trinidad and Tobago for the payment of all principal and interest.

The First Citizens Trust and Merchant Bank Limited was the financial institution.

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

**31. Sen. Wade Mark** asked the hon. Minister of Labour and Small and Micro Enterprise Development to 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?

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, the Freedom of Information Exemption Order 2003 published in Legal Notice No. 21 of February 20, 2003 exempts certain public authorities listed in the Schedule from the application of the Freedom of Information Act. The National Entrepreneurship Development Company Limited is among the public authorities listed in the Schedule. In those circumstances, the information requested by Sen. Mark cannot be provided to the Senate.

**Sen. Mark:** Madam President, I am wondering, for us to get clarification on this matter, would you suggest that we take this to court. [*Laughter*]

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

*Order for second reading read.*

**The Minister in the Office of the Prime Minister (Social Services Delivery) (Sen. The Hon. Christine Kangaloo):** Madam President, I beg to move,

That a Bill to amend the Public Assistance Act, Chap. 32:03, and to validate certain things done hereunder, be now read a second time.

One of the fiscal measures announced in the 2003/2004 budget was an increase in the disability grant from \$600 to \$650 with effect from December 01, 2003. Other reforms to the disability regime were also approved by the Government. In order to give effect to these measures, the Public Assistance Act, Chap. 32:03 must be amended.

Clause 2 of the Bill seeks to amend section 11(a) of the Public Assistance Act which provides for the disability assistance. Clause 2(a)(i) seeks to amend section 11A(1)(b) of the Act. The existing provision requires an applicant for the disability assistance to satisfy the conditions of section 4(1)(b) of the Old Age Pensions Act, Chap. 32:02, which provides that the person must have been ordinarily resident in Trinidad and Tobago for a period of 20 years immediately preceding the claim for pension or for a period of 60 years in the aggregate. The applicant is required to be ordinarily resident in this country for at least 20 years.

Section 4(2) of the Old Age Pensions Act qualifies section 4(1)(b) in respect of the computation of residency. The section provides that any periods of temporary absence, not exceeding five years in the aggregate would not be counted as periods of absence from Trinidad and Tobago.

Clause 2(a)(i) seeks to delete the existing section 11A(1)(b) and substitutes a new paragraph (b). The proposed residency requirements for applicants would be as follows: He must be a citizen or resident of Trinidad and Tobago as defined in the Immigration Act, Chap. 18:01 and he must have been continuously resident in Trinidad and Tobago for a period of three years preceding the application. However, he must not have been absent from this country for more than six months in the aggregate.

Clause 2(a)(ii) seeks to amend section 11A(1)(c) of the Public Assistance Act by deleting the word, "forty" and substituting the word "eighteen". Under the existing section, applicants must be between the ages of 40 and 65 years.

*Public Assistance Bill*  
[SEN. THE HON. KANGALOO]

*Tuesday, February 10, 2004*

The proposed amendment seeks to widen the scope to enable persons between the ages of 18 and 65 years to apply for disability assistance.

Clause 2(a)(iii) seeks to amend section 11A(1)(d) of the Public Assistance Act. In the existing paragraph (d), the applicant must satisfy the local board that he is so disabled that he is unable to earn a livelihood. The amendment would also require the applicant to be certified by a medical officer as being so disabled.

As I indicated earlier, one of the measures of the budget 2003/2004 was an increase in the disability assistance grant from \$600 to \$650. Clause 2(b) would give effect to that measure by amending section 11A(3) of the Act.

Clause 2(c) seeks to amend section 11A by inserting a new subsection (5). This proposed amendment would grant the Minister a discretion to approve claims where the applicant has been continuously resident in Trinidad and Tobago for more than 12 months, but less than three years. This discretion is necessary to treat with genuine cases of hardship. For example, an applicant may have satisfied all the other criteria for the grant, but may have fallen one month short of the three-year residency requirement. This would be a case where the Minister would be able to exercise the discretion. It must be noted, however, that the Minister's discretion is only in respect of the residency requirement of the applicant and, even so, the applicant must have been continuously resident in Trinidad and Tobago between 12 months and three years. The applicant must still satisfy the other requirements of section 11A before he can receive the grant.

Clause 3 of the Bill would validate the payment of the increased amount of disability assistance on or after December 01, 2003. The validation is required because the legislation was not amended at the time of the increased payments.

The amendments proposed in this Bill give rise to consequential amendments in the Public Assistance Regulations 1997 and the Public Assistance Disability Assistance (Prescribed Forms) Regulations 1997. These regulations have already been drafted, and will be made upon the enactment of this Bill.

With these words, Madam President, I beg to move.

*Question proposed.*

**Sen. Robin Montano:** Madam President, I would have thought that a Bill as important as this, affecting a section of the community that, really, is

disadvantaged, to say the least, would have received a presentation from the Minister with much more empathy, and would also have told us what was the Government's policy. Instead, the Minister, more or less, read off the explanatory notes. I followed her almost word for word on my explanatory notes.

She could have saved the Senate some time and said, "Okay, it is late; if you read the Explanatory Note you would know what this Bill is about, because this is all I have to say." I am really, really depressed. I am upset that the Minister could care less and, basically, treat us with such contempt that she just read the Explanatory Note and said, "With these words, I beg to move."

I do not know if there is anybody else in this Senate who has ever been disabled. As you well know, Madam President, until quite recently, I was disabled; temporarily, but I was seriously disabled. While I have always had sympathy for the disabled, it was not until I, myself, became seriously disabled and unable to walk that I realized the living hell these people go through.

At least I knew that I would be able to stand again. At least I knew that the time would come, and the time has come. It has taken nine months for me to be able to walk without my stick, but, at least, I knew that time would come. But you have no idea how the simplest of things could become such a mountain. Getting up to go to the bathroom in the middle of the night was a major exercise. Talk about going to work, most office buildings, including my own, I regret to say, are not disabled-friendly. The Red House is not disabled-friendly. When I had to come here a month or so after I had broken my ankle, just to get up those stairs, I was sweating, and to come to sit here was incredible, but I knew that I was going to be all right eventually. It was terrible. There was terrific pressure, but, at least, I knew I would be all right.

As everybody knows, I am a lawyer. To go to court was almost impossible, to climb those steps at the Hall of Justice. Thank goodness that when you climb the steps, once you have gotten in, there are elevators, but there are no ramps. The sidewalks of Port of Spain are not disabled-friendly; they are full of potholes. You have no idea that when you are walking on crutches, if you do not notice a slight indentation in the sidewalk, it can throw you down; you can fall so easily. It is incredibly difficult.

I would have thought that a bill such as this would have been an excellent opportunity for a caring government to say to us, "Look, here are our plans, we want to go forward; this is one step in a myriad of plans that we have to make

*Public Assistance Bill*  
[SEN. R. MONTANO]

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Port of Spain, the capital city, and Trinidad and Tobago, disabled-friendly.” I was hoping that I would hear from the Government tonight, “We understand the problems that they have; we empathize and sympathize with them,” but no, we heard nothing. What do they come with? A mere increase of \$50 a month; less than US \$10 a month. Big deal; caring government!

I see the millions that are being spent on make-work projects like the Community-based Environmental Protection and Enhancement Programme (CEPEP) that do nothing for the country. To give an example: Just today, outside the American Ambassador’s residence, I saw a sign on a tree; as you head north, it is on the right hand side, and the whole side of the hill is covered in elephant grass. There are about eight or 10 trees painted white, but the whole side of the hill is a disgrace, but you have this sign “Maintained by Premclean, a proud member of CEPEP”.

I could not help but think: How much did that cost the people of Trinidad and Tobago to see that stupidity? But here we are, “Hey you, disabled people, here doggy, look a bone, \$50 a month,” that is my point. The contractor could not even landscape the place, put some grass down and have it looking good. No, he painted all these trees white. Go and look at it, and you would say to yourself, “Good grief!”

**Sen. Mark:** It might kill the trees.

**Sen. R. Montano:** It might even do that. The trees are scraggly; they are not even—and here you are spending money painting trees on what is, effectively, a waste ground. It does not have to be a waste ground. “Maintained by Premclean, a proud member of CEPEP”, that is what the sign says. Madam President, here we are, “Oh, Senators, would you please give the disabled \$50 a month extra, and look at us, look at what we are doing.” They have to be joking.

I am reminded of the struggle that the disabled had last year trying to fight for a job at the National Flour Mills (NFM); the same NFM that has raised the price of flour. You have to ask: What is going on down there? Does this price rise have anything to do with the shipping contracts that have not been put out to tender for God knows how long? “No, we cannot do anything for you; we cannot give you a job, but we can raise your disability grant by \$50 a month.” We are a caring government; we can send the police to mash up your little encampment, but we cannot give you a job; we cannot give you specialized training, but we can give you this \$50 a month. But we can give somebody, I do not know how much money, to paint the trees white outside the American Ambassador’s residence.

I have said it in this Senate before, and I am going to say it again: There is a serious disconnect taking place. If this continues, we are going to end up in some serious trouble; I can see it coming. This is 1989 all over again, the year before the coup. You can feel it; you can smell it; you can sense it. [*Crosstalk*] I am not going to tell you what I am hearing, because I would be told that I am being unparliamentary. But everybody knows what I am hearing, an animal that is gray and has long ears.

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

**Sen. R. Montano:** I will ignore the animal with the long ears and tail, that is gray and eats grass. You know that it is coming; you see it coming; you feel it coming. The disconnect is here. You listen to the Government Ministers in here, all is right in the kingdom, but you go outside and you get a different picture.

I am not being critical of my friend, the Minister of Foreign Affairs, but in the light of what has been happening between Barbados and Trinidad and Tobago, I would have hoped for some kind of statement from him this afternoon, or very soon; this is the Parliament. I had a private conversation with him when we were having dinner, and he explained certain things to me. I happen to agree with everything that he has told me privately, so I am not being critical of him. What I am being critical about, is that he has not chosen to make a statement. Instead, we are raising the disability grant by a lousy \$50 a month; and it is lousy. The disabled would take it, but they deserve far more than this \$50 a month.

I have never been blind, and I pray to God that I never become blind, but can you imagine, for one moment, what it must be like? The other day I was heading north towards the Savannah by Cipriani Boulevard, where NIPDEC House is, and I was on a red light. There was a blind man at the corner unable to cross the road, because he could not see what the lights were. There were no pedestrians in sight. I got out of my car and I helped him. [*Desk thumping*] Thank you. You can send me the Trinity Cross in the morning; but I am being serious. I helped him across the road, got back in my car, and was able to do that all in the time that the lights remained red.

The point is: Should we not, as a nation, as a society, be doing something so that there could be, let us say, a little signal on the traffic light pole that he could press and, maybe, feel a little buzz so that he would know that the light had changed and that all traffic had stopped, or something like that? But the Minister comes here, does not tell us anything, other than what is in the explanatory notes. Nothing, nothing, nothing. Caring government!

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I have never been deaf; I pray to God that I never am, but, again, can you imagine what it must be like? Of course, in some instances, you would not have to listen to certain animals that are gray, have long ears and eat grass.

**Madam President:** Sen. R. Montano, I would ask you to stop using that description, whether it be of an animal, person or otherwise.

**Sen. R. Montano:** Very well; I will think of another description, but I did not realize that saying I did not enjoy listening to certain animals—

**Madam President:** Please come back to your contribution.

**Sen. R. Montano:** Yes I will, Madam President. I did not realize that referring to certain animals was unparliamentary. I have never been deaf, but can you imagine what it must be like going through life having been born deaf? Because you cannot hear, you would not know how to speak. Can you imagine how terrible it must be going through life, seeing life happening all around you, and not being able to hear or communicate, having to learn sign language? It must be terrible. Yet we are giving them an extra \$50 a month.

I do not think that there is anybody in this Senate who could possibly want to vote against this, but I do not think that there is anybody in this Senate tonight who can feel very proud that this is all we are prepared to do for the less fortunate in the society. Let me tell you something, Madam President, there, but for the grace after God, go you and I. This thing is serious and it is such a great shame; shame on all of us that this is the best that oil-rich Trinidad and Tobago can do.

Do not tell me about yesterday, last year or 10 years ago. Let us talk about today. If anybody made mistakes yesterday, fine, but that is no excuse to allow those mistakes, whatever they might have been, to continue; no excuse whatsoever. It is not good enough, for a society that is as wealthy as ours, to waste money by painting trees when we have these serious problems. It is not good enough, when the Minister who has the responsibility for these problems, does not, in her opening speech, tell us something more. Not in her reply, because in her reply she can say anything, and we cannot comment on it because the debate would be finished; so that is it. No, it is not right! It is not fair. I do not mean it is not fair to us; it is not fair to the people whom this Bill purports to help, and that is the point.

The Minister should have told us about all her plans, so that we could debate them, so that we could say, “Yes, we agree with this; no, you are making a

mistake over here; yes, this sounds okay, but be aware of these kinds of problems.” But no, all she does is come here and read this. It cannot be right. It is with a heavy heart that I take my seat.

Thank you.

**Sen. Dr. Eastlyn McKenzie:** Madam President, let me say from the outset that the disabled, people with whatever form of disability, have a very special place in my heart. In fact, in these times, we look at them as special people. We refer to them as people who are “differently abled” as against what we call the normal people, whom I prefer to call “ordinary people”.

I would say that we have shortchanged these people for years. When I say “we”, I mean the parents who hid them away. For children with different forms of disability, we found that the parents would hide them away; they were ashamed; they did not know; they did not understand. Why is it I have a child who is not an ordinary child? We also had those of us who wrote them off. If you could not walk, talk, hold your head up, control your gait or anything, the public wrote you off. As such, for us, they did not exist.

Then we had their neglect; no one studied why this was so, so we had these people being shortchanged for a number of years. They were ignored and jeered, especially the children. I could remember that as children when you saw someone walking funny you always had a name for them: “broko”, “coki-eye”. I do not know the school experience of people like Sen. Augustus, if he would have had children in his school who would mock at the children who were not as ordinary as they were. But worst of all, I think that we have shortchanged these people by pitying them; that is the last thing they want. They do not want pity.

So, today, I am happy that from my experience from 1974, when a group of us in Tobago started a council for these special people, government after government from 1974 to now helped to make the lives of these people better. My experience has been, not only in Tobago, but in Trinidad as well, that they have tried to make the lives of these people better. Today, their achievements and development are astounding.

I say thanks to the past administration and to this present Government, because dropping the age from 40 to 18 years would give more people access to money. [*Desk thumping*] I can tell you, from my own experience, that we run our council for the disabled, for mentally challenged children, we have operated a school for them from 1976. We started it privately.

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We could not pay the teachers, so we raised funds. The Rotary Club helped us; the Lions helped us; Amoco helped us; everybody helped us. We did all sorts of things to get money to pay these teachers month after month. In fact, they could not tell you what their salaries would be from month to month, because we were doing it as a private school, a private organization. Today we are grateful to all those people who assisted; all our past Presidents of the Republic, from Sir Ellis Clarke, right through. We have not yet tested our present President. They became patrons; they assisted. They submitted the names to different organizations, and sometimes we got thousands of dollars, and we did not know where it came from. When we inquired, we would be told that His Excellency or the wife of His Excellency recommended our group.

We are grateful and thankful. We are thankful to people like Eddie Wade in the regiment who, whenever his band came to Tobago, would put the services of the band to our council, that we could give a dance and raise money, free of charge. What has happened out of that? We built a school. To date the school has cost us, without any money from Government, over \$800,000 from our own funds. We sold books; we sold old clothes; we did all sorts of things. [*Desk thumping*] We were the best beggars that you could find in Tobago; all for the children who were not able to help themselves.

One of the things I would like to see, believe me, I prefer the Government to drop the age from 18 to 12 years, rather than give them \$700 a month, so you would include more people in the net. I meet with the parents of the little ones who cannot come to our school every week, really. I met with their parents just last week, and I heard their woes. I would relate some of them in a while to the hon. Minister.

I congratulate the division for that book, *Open Doors*, that we were given. I looked through it to see whether recognition was given to us in Tobago, and it was. I thank the hon. Minister and her staff for putting these things into a document that we could copy. [*Desk thumping*] But I agree with Sen. R. Montano. Already these people feel disadvantaged; already they feel that they are left behind; already they feel they are a second thought, an afterthought. I advise the hon. Minister that any time she has to deal with these special people give them top priority, put them first, that they would feel that, at long last, somebody is putting them first and making them feel that they are worthy.

I draw to her attention something that bothered me very much when we had our council meeting last Saturday. The Government gave us money to buy a bus for our children, because if you know these mentally challenged children, they

are difficult. They cannot travel on the normal bus by themselves. Amoco gave us a little van which we use; it is over 20 years old. The Government gave us money, and then we said, "Okay." They wanted quotations, and the Division of Education in Tobago had to give us access to get the funds for the bus. We provided them with that, and they said, "No." The Central Tenders Board or whichever tenders board selected their own person, and the bus should have been delivered by the end of December. Up to now, we are still waiting for the bus. The money was given; everything went through, but the supplier cannot give us the bus. What is it? Is it because these people cannot march, because they are mentally challenged? I ask the hon. Minister to investigate, and let us have the bus before we embarrass people.

When I listen to some of the stories about special children in their circumstances—and it bothered my heart last year when this mother had to chain her 17-year-old son, but let me just give you an example. In our school, when the children are 18 years they must leave the school. We, of ourselves, decided that we would put up a workshop. We raised funds, and did put up a workshop. The Canadian, British and the Germany embassies, you name them, furnished our workshop. It was only because I did not want to make this Chamber something ordinary, why I did not bring some of the things that they made: the best pants hangers—and I hope some of you would put in some orders—swizzle sticks; trays, stools, benches. They made everything. They made all the furniture for the school.

**9.40 p.m.**

But what is nice, we bring back those who have passed the age—past students of the school—and we also bring the ordinary children from the normal primary school to integrate with them and they work in the workshop. Madam President, do you know when we sell the things they draw a pay at the end of the month? They get their little envelopes with part of the proceeds from the items we have sold, and the teacher in charge of the school is responsible to us.

There is a lady who brings a 24-year-old mentally-challenged young lady who never went to school. She came for the first time to an institution. Could we turn her away? What will the mother do with her at home? They want to look for safety and mixing for them and it is remarkable how she has integrated herself with the other children and the types of things she is assisting them to do. We have our own school feeding programme in the school and she helps to set the table and see that they eat. She wants to be occupied.

I want at this stage, to congratulate the Ministry of Education and the hon. Minister of Education for the assistance to the Division of Education in Tobago for expanding our school and upgrading our staff because we have clamoured for this and she has responded. Madam, I hope you are not blushing because it is not my intention to make you do so, but I am giving you praise where praise is due, because when I am ready to blame I will give you the blame just the same. I want to thank you because I did my own investigation and found out all these things from the school.

Madam President, we have taken these children when they have gotten to a certain level in the school and integrated them back into the mainstream of the school. We have about three of them from Happy Haven back into the mainstream and we monitor and follow them up and they are doing extremely well. We send them to the trade schools to make them self-reliant and as such, I want to say to the hon. Minister, congratulations and thank you very much on behalf of our children in Trinidad and Tobago.

What do the parents say to me? Right now we have 38 children of that nature who go to the hospital for physiotherapy and that type of thing. I guess with the new hospital we would have more facilities where we could help more children. The parents have asked whether we could put facilities for the mentally-challenged children who cannot attend school yet, but who have to have 24-hour supervision. The parents of these children could never get a holiday or a break. There is nowhere for them to leave the children so that they may have a day for themselves, and I am saying that we need somewhere.

I understand in England they have something like a respite home where children can be left for two days or a week and the parents return for them, and they are taken care of by specially trained persons. I would prefer if the hon. Minister would let them have a special child allowance for the mentally-challenged child. I know those who are not yet 18 years will not qualify, but the Government has a child allowance of \$300 per month that the parents could access. I am asking that for children who are mentally challenged because there are three-year-olds who cannot walk, they cannot talk, they cannot hold up their heads, they are not toilet trained, and pampers and medication are expensive.

Madam President, I also want to draw to the hon. Minister's attention that we have children who were normal. Sen. R. Montano was talking about being disabled at this age. We have two cases in Tobago of children; one of them had been stung by a scorpion, a healthy, loving, standard 2 child, running up and down. He was sent to Mount Hope Hospital and the child came back as a

vegetable and is so to this day because he has a sickle cell trait; and we have two children like that. He is a big boy now; the mother cannot lift him anymore so she has to have a special wheelchair for him. The Canadian Embassy got that chair at a cost of \$12,000. I am saying we should have a fund that in a case like this you could lend it.

Another point I want to ask is that our claims from Tobago would be processed here in Trinidad. I know that there is a special officer dealing with the Tobago claims, I did my own investigations so I know. We have no complaints about delays, but now that you are dropping the age to 18 there would be more cases so I am asking that you put the infrastructure in place so that the children and parents would not be disadvantaged. Already the Tobago House of Assembly bears the cost of travel for those children who have to come to Trinidad for medical care.

Another point I want to make to the hon. Minister; just as we have the Geriatric/Adolescent Partnership Programme (GAPP) we could have young persons trained to take care of these children. So at least one could call in somebody for a day and the mother can go to town and do whatever she has to do because most times it is the mother. We need home visits by these professionals, so you would need more people like that.

We have a very good association where some members of our organization are affiliated to CAMROD and they train them to train the parents that they could take care of the children at home. We have this going and we have our Foundation for the Enhancement and Enrichment of Life Committee (FEEL) where we seek out the children to see what can be done for them and help them.

I think the book will answer the next question—the need for more information, where and how to get care. We also have the problem of hospitalization. We had a little girl who had to have surgery on both legs, the foreign doctors assisted and when she went to the hospital, the kind of care she needed as a special child the mother had to be with her. So we need that kind of facility.

Our children do not need any handouts, they need training for self-reliance and we have all of them at our school. We need speech therapists. I am glad Sen. R. Montano talked about the ramps. Some people in Tobago tried to put them and they are so steep that I do not know who could go up there. So we need to have that.

Madam President, I want to tell you how we integrate the children at our school. The children take part in the Special Olympics, and over the years we

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have people who volunteer to train them and they take part in sports; track and field, volleyball, swimming, basketball, football, bocce, and now they are going to take part in cricket. It is heartening. I want to tell you, Madam President, and Senators that these people could achieve so much and do so well. For the past 12 years they have been participating in the Olympics; the Special Games in Trinidad and the Olympics abroad. I want to give you some of their achievements.

For the games in Trinidad, to date our school won 145 gold medals, 74 silver and 52 bronze medals. [*Desk thumping*] Overseas they went to the United States of America, Austria, and last year they were in Ireland and they have won eight gold medals in their overseas world Olympic achievements—I am talking about the Tobago children—three silver and six bronze medals. They have done well and I am saying let us give them a chance.

Finally, Madam President, I want to tell you the story of one little boy who came to our school when it started. His name is Kester Edwards and I would read it very quickly because it is very short.

Kester Edwards entered the Happy Haven School in 1981 at the age of eight years with a mental age of five. Through the years his development was very slow but marked, he showed great enthusiasm for sports and excelled in the area.

At age 15, we sent him to the Roxborough Trade Centre to pursue masonry. He was an ardent swimmer and this discipline took him on the road to self-actualization. He won numerous medals both at national and international levels and he participated in field and track and cross-harbour swim meetings.

He moved to Trinidad and was gainfully employed as a handyman/gardener—now we would have to get National Insurance for him—at the Lady Hochoy Home in Cocorite. Before he migrated to the United States of America, he showed true commitment and determination in whatever he tried his hands at. He is a goodwill ambassador and sat on the International Board of Directors for Special Olympics for a term of three years.

Since the inception of the Special Olympics in the United States of America in 1976, Kester was the first and only special athlete appointed to sit on the Board of Directors. This was truly historic. This opportunity took him to places, some of them I have never been to: Chicago, New York, Washington, North Carolina, Curaçao, Barbados, Jamaica, Belgium, France and England.

In December 1998, he was invited to a “Black Tie Party” in commemoration of the 30<sup>th</sup> Anniversary of the Special Olympics. Where? At the White House.

As a guest of whom? President Bill Clinton and Mrs. Clinton. He sent his picture to the school, you should see how proud he was. His accomplishments are our school's accomplishments and the nation's accomplishments.

He is truly an inspiration and a role model to everyone, and as they always say in the school: "If you reach for the stars, you may get to the tree tops." He always sends his gratitude—to thank us. [*Desk thumping*]

Madam President, I say today that all of us can do very much to assist our special people. I am not calling them disabled, I am saying they are specially-abled. They really feel a part of the population when we treat them as such. We tell parents not to hide them, they are ours. I think they are a test to us as a human race to see how we treat people who are not as able as we are.

Today I want to say to the hon. Minister of Education, the hon. Minister of Community Development and Gender Affairs, and the hon. Minister of Social Welfare that because our children must go into the mainstream, we must bring mainstream children with them. They go to all sorts of competition you know, and they bring in money to the school. They win arts competition and singing competition, we have dances for them and all sorts of things that we integrate them into.

Madam President, I hope that year after year they will get more and more benefits coming to them and I do not want the hon. Minister to think that the only benefits they can get would be financial, and I can see that from the type of cooperation we have been getting from the Ministry of Education with the expansion of our schools with all the upgrading of staff and so on.

Always think of the several ways of how you could assist these people. Think of the staff who have to deal with them. Take a day to come to Tobago and meet these parents. Madam President, let me extend an invitation to the hon. Minister of Social Development to visit our school—I know you visited the school when you were acting as President, so you know I am not making up any story—close the office in Trinidad, leave a skeleton staff, or bring the staff and let them see, because sometimes they will never understand. If I had put Sen. Montano, he might have said what the Assistant Secretary for Health in Tobago said. If I had my way with him I probably would have cut his neck off.

Do you know what he said, Madam President? They put the office in a place where the old people cannot get to, they have to go up some steps, go down some steps and I asked: Why are you here, because the last time you were over there they could just walk straight across the street. He said: "They have

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put us here.” I asked: “Who have put you here?” He said: “The Assistant Secretary.” I asked: “Did he see it?” He said yes. I asked: “What was his remark?” He said: “What yuh t’ink we paying all yuh travelling for? All yuh could go out and meet de people.”

Madam President, you ever hear more? This man has absolutely no idea of how disabled people think. Sometimes they do not want you to come into their homes. The old-age pensioners do not want anyone to come into their homes because they feel if you see a VCR that their grandchild sent for them or so, you might think that they are over the limit and say that they do not qualify. They do not want you to come.

So Madam President, you see some of these people do not understand and that is why I am asking the hon. Minister to come over, bring some of the staff members, even if she has to bring some at a time. Bring them over. It is not a holiday. It is a training and learning exercise. When you know who you have to deal with, you are more into what they are experiencing and obviously would be better prepared to handle them when you have their experience.

Finally, you have to select the proper staff especially in the schools. We had a teacher sent to us, and you know the children are a little dribbly, and dirty fingered, and I know you must have gone home with your clothes soiled, Madam President. They kiss you with their long, long dribble and you have to play it nice and so on, but every time the children touched this teacher she wiped her hands, or went to wash them in front of them. If they touched her chair she brushed it. I asked that she get out of the school immediately. She was not suited.

So I ask the hon. Minister of Education to ensure that in the curriculum of the Teachers’ College, expose all teachers to some form of special education because in their classes they have to learn to discern and pick out these children and give them individual attention. Some teachers in the primary school now send the children to us for about a year or so and then they integrate back into the school because of the methods that our special education teachers use, what is good for the sick, is better for the well.

Madam President, I hope I have made some sense with these ideas and I congratulate the Government on what they have been doing and, as I said, past administrations also. I thank them for making our school an assisted school and for paying our teachers and giving us funding. That started with the last administration and it has continued.

I say that you are not doing them any favour, but giving them what was their due and all of us shortchanged them: their parents, the public, everybody. Now that we are making things right, thank you very much and congratulations.

**Sen. Dana Seetahal:** Madam President, there are just a few questions that I want to ask the Minister through you, for clarity in terms of what the impact of this amendment would have on those who seek to avail themselves of the disability grant.

May I say at the outset that no one can reasonably object to this Bill. Clearly, it is not only increasing the amount of the grant, but also widening the net significantly. However, my first question is what is the difference between the availability of this grant and public assistance to a person who is over 18 years and under 40 years? Because my reading of the Public Assistance Boards Rules at No. 3 which states:

“Assistance shall be given to meet the needs of necessitous persons who are prevented by some disability from earning a living;”

—my understanding is that public assistance was for persons who, because of a disability could not earn a living and so would have public assistance. So we are talking about a disability grant now and I would like to know what is the difference. That is my first point and if it is better for a person who has a disability to access the disability grant.

Secondly, the criteria, such as it is, that is specified in section 11A (1)(d) which amends the original Act seems to be very short. It says in the Explanatory Notes:

“whereby an applicant would be required to be certified by a Medical Officer as being so disabled that he is unable to earn a livelihood.”

If that is still the law—and I have seen no amendment—it is really very oppressive. What it means is only persons who are unable to earn a livelihood can access disability grant and that is not in keeping with the definition of disability as given to us in this “Open Doors” update which suggests that disability is a decreased ability. The United Nations defines it as “a restriction or lack of ability to perform an activity”.

If you are talking about a decreased ability but you are only giving persons who cannot earn a livelihood this grant, then there is something unfair there. Sen. Dr. McKenzie talked about persons who made all these oddments, for want of a better word, and they can sell them and get a little envelope—Well, according to the Bill, if you earn over \$3,600 per year, which is \$300 per

month, you cannot access this grant. So if those persons made lots of things with their hands and earned \$300 or \$301, they could not access this disability grant, which is ridiculous.

It is strong language and why I say this, it is because it is really creating in a way, or sanctioning, a dependency, even if you are able to earn or do something for yourself. If you are blind for instance, and you are able to make baskets, you better not make anything that is going to pay you more than \$300 otherwise you will be deprived of getting \$650. I do not know if the limit has gone up. I would hope that it might have been raised to \$700 or \$800 to make sense. In other words, you would have to be earning at least say \$7,800 or \$8,000 a year which would be \$650 per month before you could be cut off from earning the grant. That is the only way it can make logical sense.

I know of one case about which I had spoken to the Minister where there was a paraplegic in my area who was given a job in a video place to keep him occupied. He wants to do something because he does not want to vegetate and his brain goes. He was earning something like \$100 a week or so and he was reported and the grant was stopped. The thing is, whilst it is good to raise this grant, the problem is if you are going to do anything for yourself, you would not get it. That is what we are saying. We are saying become totally disabled, totally dependent, and then you get something from the State and this to me, goes against the grain of talking about sustainability and vision and everything. It is just not consonant with what we want when we talk about improving the lot of the differently abled. So any of those persons who demonstrated outside National Flour Mills, if they got a little stipend job, they could not qualify for the disability grant if they got more than \$300 a month.

I lived for a year in Minnesota, a state in the United States of America which has a very high standard of living because of how they treat their disabled. When I was there, someone asked me if there are many handicapped persons living there because all over the streets you would see people in their wheelchairs getting into the buses and we had to wait for the ramp to be lowered for the people to enter.

There was a leadership course and one of the guests had short feet and something wrong with her neck, but she was doing her Masters and the State was paying for a caregiver for her. Of course we are not as wealthy as that State and we cannot expect to do that now, but we want to encourage and get the people who are differently abled to do things, and my problem with this is not of the making of this Government clearly.

I am saying that implicit in this Act, you have to maintain that dependency, you have to be unable or show that you are unable to earn a livelihood and remain being unable otherwise you will never get any assistance from the State. All the other traumas we talked about, that is the worst thing about this disability grant, and it should not be.

Raising the ceiling is another thing; there must be some standards, you do not want to have everyone accessing although I do not see why not. If you are disabled and you have had the courage to try to be employed, then I do not see why you should be deprived of getting this grant. Even if you say we cannot afford that yet, \$300 a month Madam President? That is my main point and I think we can deal with that if not today, at some point.

I was reading a letter "Continuing Fiasco of Disability Grants" written by Verna St. Rose-Greaves in the *Sunday Guardian* February 08, 2004 who apparently worked with the ministry in public assistance. She is talking about her experiences after the last increase in public assistance, and apart from the fact of the screening of the applicants by the board and not having office space, she made a lot of sense when she talked about the staffing.

If you are going to have so many more people applying are you attending to the staffing problems as well? That was a significant problem with the last increase where she said and it was reported that there were so many people applying that at one point following the last government's increase, the place had to be shut down because they could not deal with the number of applicants, and then because of embarrassment they had to reopen it.

She also talked a lot about there being no ancillary provisions; things like the offices, toilet facilities, drinking water, parking, specialist training for staff, all these things that could make some sense of the legislative purpose behind increasing this grant and showing that we really care about what the disabled are about. I think attention should be paid to this. I do not think I need to make any other point in general, but one specifically on the legislation.

There is a provision in clause 2 that persons who are to access this grant, not only must there be approval by the board which is the current law, but they must also be certified by a medical officer that he/she is so disabled. Why are we making it so difficult? I do not understand that. If you already have a board, if the requirement in the legislation as exists is that a board must approve, why are we now adding another stringent measure and saying that all of them must also be approved? Does it mean I am not going to trust them? Is it because there

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has been an increase suddenly people would come? Then do away with the board and just have them assessed by a medical officer or two. That is what you do for people who are sent to St. Ann's, they have to get two persons certifying. It just seems unnecessarily oppressive.

Thank you.

**10.10 p.m.**

**Sen. Wade Mark:** Madam President, I rise to address a couple of points on this Bill entitled "The Public Assistance (Amdt. and Validation) Bill, 2004." The Bill seeks, as it is stated in the Explanatory Note, "to amend the Public Assistance Act, Chap. 32:03 to extend the scope of persons who may be eligible for disability assistance, to increase the amount of the disability assistance grant and to validate certain things thereunder."

If you look at clause 3(b), it states that this Act is amended by increasing the disability assistance grant from \$600 per month to \$650 with effect from December 01, 2003. The first observation is that this particular measure was effected on December 01, 2003 and it is now coming before the Parliament almost four months after its implementation for validation and approval. The budget was passed in October 2003. Why could the Minister in the Office of the Prime Minister and Social Services Delivery not have brought this measure for parliamentary approval a month after the budget? We have no difficulty with improvements. I might have some problems with the quantum, but four months after the budget—November, December, January, February—the Minister is now seeking validation for an illegal action.

What the Government did was illegal. They implemented a measure that they knew required the approval of the Parliament. But do you know what they believe? It would happen a day, you know, when, for instance, not because of spite or vindictiveness, but to send a clear message to the administration, do not take the Senate and the parliamentarians on this side for granted. It would happen one of these days.

An economy with a GDP of over \$60 billion; a per capita income of over US \$8,000; a budget of over TT \$20 billion; rich in material, natural and human resources, could only afford to give the disabled, the physically challenged, the differently abled, \$1.70 per day as an increase, because that is what it boils down to. It is \$50! But we should not be surprised. It is consistent with Government's behaviour. In their previous incarnation they gave to old age pensioners a \$15 increase. So I am not surprised that they are now giving the

disabled \$50. That is consistent with their behaviour. Total disrespect, and come and camouflage it by saying they are reducing the age from 40 to 18, when they know that persons who are 18 and over could access public assistance to the tune of \$340 per month.

This so-called \$50 increase, or reducing from 40 to 18 years, what is the big thing? Tell us if, for instance, people cannot access public assistance 18 years and over and tell us if they do not get a minimum of \$340 per month. We find it very disturbing that a Government with its squander mania, reckless and wasteful spending, could find money for all kinds of things, including the possibility of the purchase of a private jet for the Prime Minister to go all over the world, but, you know, for the disabled, it is \$50. That is shameless! It is disgraceful! You know, the hon. Minister who presented this Bill is a very nice lady and she presents her matter as she normally would do, very quiet—a very unassuming young lady.

I have learnt—and you can correct me if I am wrong—that 15 per cent of this population, representing some 200,000 citizens—I could be wrong; I am saying I may need clarification, but that is my information—suffer from some form of disability, one way or the other. I do not know if the hon. Minister could clarify that. Tell us what percentage of the population suffers from disability, impairment. I know disability and impairment are different things. [*Interruption*] You should know; you have experience. You are challenged right now, I understand; not mentally, of course. The reality is that we are offering our citizens a meager \$50 increase.

You know, between 1995 and 2000, I was associated with a very visionary, progressive and dynamic administration. [*Desk thumping*] I do not think there would be any parallel for a very long time to come in this country. Try as the PNM may, they suffer from what is called, analysis paralysis. They keep analyzing and they are paralyzed in the process—no delivery. But whilst they were talking the talk, we were walking the talk! Whilst they laid paper on the Parliament table on disability policy, we were issuing disability grants in 1996 for the first time in this Republic! [*Interruption*]

The population did not like it? You all conspired with the former President to remove us from government. That is why “all yuh” there; and then stole the election with Abu Bakr. So do not come and tell me about, people do not want us. It was 18/18 you know. Madam President, you must never forget 1,200 votes separated the PNM from the UNC in the last election, and the hon. Minister of National Security and Rehabilitation played a big role in how he was able to

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manoeuvre his way in certain areas of the country. But that is for another platform, not here. So when you tell us about people did not want us, be clear about that in your mind. You stole the election. But I am not going in that direction.

As I said, I am proud to have been associated with a government that demonstrated care and concern for the physically challenged. We began this exercise. Do you know what was our objective? When we introduced the disability grant in 1996, it was on the same scale as the old age pension. The old age pensioners were getting \$650 and we granted to the physically challenged, \$650 as well. I thought that the PNM was going to maintain that balance. *[Interruption]* You would get your chance to speak, Madam.

**Sen. Yuille-Williams:** Your maths is wrong.

**Sen. W. Mark:** Whether it is wrong or right, the principle is what I am dealing with here. I am saying that we were going towards \$1,000 for disability grants. I thought that is where the Government was going, rather than coming with a little \$50 increase here. What could that do for people? In this environment that we are in today, tell me what \$50 is going to do for a physically disabled person in real terms. Gas has gone up by 12 per cent; taxi fares; chicken prices are all over the place; flour has gone up; sugar has gone up; rice has gone up; everything is going up, and you give the ordinary poor people, \$50; crumbs from the table of the Godfather.

The disability grant should be \$1,000. Not only that, up the ceiling from \$3,600 total a year to about \$8,000. That is what they should be doing if they really care about people. Do not keep it at \$3,600 as the ceiling. Increase it to \$8,000 and allow people access. Because we have money, you know, Madam President. You know that. But the money is not being distributed evenly in this land. Those who need it cannot get it.

I looked at, for instance, clause 3(a) of the Bill and it says that “a new provision which would stipulate that an applicant for the disability grant must be a citizen or resident of Trinidad and Tobago and must have been continuously resident in this country for a period of three years preceding his claim.” Madam President, do you know they amended that? It was 20 years. Why did the Government change it from 20 to three years? What is the politics behind this change?

**Sen. Dumas:** Politics or law?

**Sen. W. Mark:** Whatever it is, “Stretch”; my colleague and friend, the hon. Minister of Local Government. [*Laughter*] I call him “Stretch” from time to time. He is my good friend from Tobago.

Am I wrong, Madam Minister? What was it before? Okay, the Minister would help me at the appropriate time. At times I need a little help. I am not disabled but I need a little help and I would welcome clarification at the appropriate time.

This discretionary power that the Minister is going to have; we live in an environment where we need checks and balances, because things can slip your mind. You can forget. I do not want the hon. Sen. Christine Kangaloo to have a slip of the mind in granting some kind of—let me be specific. It says in clause 3(c): “by inserting a new subsection (5), to grant the Minister a discretion to approve claims where the applicant has been continuously resident in Trinidad and Tobago for more than twelve months but not less than three years.”

The Minister is now given discretionary powers to approve claims. What claims are we talking about here? It has to be disability. Eh? So the Minister has that power now? Who is going to exercise checks and balances to ensure she does not abuse that power? What I am saying is, we need systems of accountability; we need transparency; we need rules and regulations to govern the conduct of Ministers, because they are human beings and they are subject to error. They can err, and to avoid them getting into jail clothes, we want to propose that systems be established, rules and regulations be formulated so that the hon. Minister would not grant her friends, her neighbour, her family and Godmother. That is what we want to avoid. That is what leads to corruption.

This is a Government that gives the impression to the world that it is so committed to integrity in public affairs and some of the most brutal and savage corrupt acts have taken place under this administration. But they tell us that they are for integrity in public affairs; they are for morality in public affairs. Up to now we do not know what were the deals that took place when Mr. Manning, the Prime Minister, went from London to Spain and Spain to London, on a private flight sponsored by a giant corporation in the energy sector. Transparency demands that we know that. But, you know, if we do not get it here, we would get it in Spain. I want to tell them that. [*Crosstalk*] No problem. I know that is a very touchy one, “eh”, Joan.

**Sen. Yuille-Williams:** We have an agreement policy.

**Sen. W. Mark:** No problem. We would get the private jet for him; one-way flight out.

Madam President, we believe that the disabled persons in our country—I agree with Sen. Dr. Eastlyn McKenzie—do not want pity; they do not want charity; they do not want handouts. What they demand is equal opportunity in this country. They want jobs, education, training; they want to be treated as any citizen in this Republic. But would they be given the opportunity by the PNM; this so-called caring administration? They did not get it. They got brutality! This lady who retired from the police service, Marjorie Beepatsingh, brutalized the disabled on Wrightson Road and said that she thought they were having a UNC-inspired protest and she came as the PNM hench-woman to stop this protest. Up to now—

**Sen. Yuille-Williams:** On a point of order. The Senator cannot be inferring that in the absence of Ms. Beepatsingh to defend herself.

**Sen. W. Mark:** That was in the newspapers. What are you telling me about?

**Madam President:** Senator, you were doing so well all the time. Please return.

**Sen. W. Mark:** Thank you very much, Madam President. You see, at this time, I have to keep my colleagues awake. I see some of them are faltering, so I have to be dramatic and provocative at times. But I am guided by your ruling on this matter.

I have a lot to say and the night is young. [*Laughter*] I want to tell you, Madam President, that the time has come—my honourable colleague is not here, Sen. John Jeremie—for us to effect into law the Equal Opportunity Act. We believe that Act would give the disabled the rights that they currently do not enjoy. When they experience discrimination as physically disabled persons, they must be able to go to the courts and get justice. Too many injustices are meted out to these people. The Attorney General is not here, but that is an area I would have liked to appeal to him to pursue with some dispatch.

A colleague of mine in the trade union movement, and a good friend—a very healthy fellow—today he suffers from something called multiple sclerosis. It weakens the muscles. The person I refer to is a very able-bodied person, mentally sharp and alert. Every day it gets worse and he tells me at times he cries because sometimes when he is at home having his lunch he just cannot move from his chair. He has to call his 18-year-old daughter to move him from the chair to his bed, or to some other part of the house. I know it is a very touching moment for him. Do you know what is his greatest fear? He does not want to reach the point where he is totally disabled, because as a young man growing up, and so on, he was an independent person. He did his own thing. He continues to work even at this stage of his illness.

What I am saying is that all of us would experience different instances of this particular reality and, therefore, when I talk about discrimination, I talk about ensuring that these people are not given handouts, but they are given opportunities to develop. I know that the hon. Minister of Education has been approached on this matter. I do not know what is happening in the education system, because that is one of the areas they have been talking about. They do not get equal opportunity in terms of access to the school system. They are discriminated against by teachers and students and I do not know what the Minister of Education is doing to ensure that all those citizens who are physically challenged and differently abled could, at least, access education on an equitable basis in our society. I do not know, but it is an area I feel that we need to pay attention to.

As I said, this matter before us saddens me as well, because I believe that this Government could have done better. But as I said, we should not be surprised about this at all. I think the hon. Minister needs to give us an idea as well, in her winding up, as to what is the Government's policy. Do not just give a booklet that we started: *Open Doors*. This is something that Manohar Ramsaran started.

**Sen. Dumas:** And it is acknowledged in the foreword.

**Sen. W. Mark:** Well, I am glad. That is a change. I am happy that it is acknowledged.

All we say on this side is that we do not want these snippets; we do not want these small increases for people. We are saying that the Government could do better and we call on the Minister who, as I said, has not answered my earlier statement. She did not respond to it and I hope that she would when she is winding up, in terms of exactly what took place at the level of the old age pensioners and the NIS persons.

This particular Bill, as Sen. Dana Seetahal and Sen. Dr. Eastlyn McKenzie said, is a matter that we would not be able to oppose, but what we have a problem with is the quantum. We feel that something much more meaningful could have been made available to these hundreds of thousands of disabled people in our country. It is a small amount, but we would not vote against it. We would talk to the disabled publicly and otherwise indicate to them that better days are around the corner; we would let them know that help is near; the UNC rescue craft is about to land, and rest assured that we would take them all on board—

**Hon. Senator:** By private jet?

**Sen. W. Mark:** No, we would not want a private jet; we will come via public jet. [*Laughter*] We reserve that only for the hon. Prime Minister when he is travelling to Europe, and so on.

As I said, I do not want to detain you any longer. We want to leave here as quickly as possible and I thank you for allowing me to make these small points.

Thank you very much, Madam President.

**Sen. Sadiq Baksh:** Madam President, \$50 is a good start. Any additional fund for the disabled is a step in the right direction. In 1996 we recognized the importance of taking care of the disabled and seeing that movement in terms of \$50. But we ask if \$50 is good, \$100 would be better and \$1,000 would be ideal in the current circumstances because it would place the disabled on par with senior citizens who cannot fend for themselves.

In addition to that, 40 years to 18 is another good start. But then why not from the time you are diagnosed as disabled? What is the difference if you are diagnosed as disabled from age 4 to 18? What would take you through from the period when you are diagnosed, to 18 years? So, yes, we appreciate the move from 40 years to 18, but we say why not further?

The UNC policy on disabled persons or differently-abled persons, was based on an experience, in fact, in 1996 when we started to reshape the policy. It was based on an experience with Tiger Woods visiting the Philippines and hosting differently-abled children at a public function. At that function he spent the entire day with all the children and they had a wonderful day. But one child in particular stayed away; did not participate in the activities for the day, and Tiger Woods wanted to know why and approached the child. On approaching the child, he realized that the child wanted something different. In conversation, the child said he wanted to play a game of golf with Tiger Woods. And Tiger Woods said: "Well, you know, I am the champion of the world and I do not think here would be the right place", and lots of things. But the child kept insisting on wanting to play a game of golf with Tiger Woods, to the point where Tiger Woods almost got upset and said: "You name the place and time". The child looked at him and said: "Any place, midnight."

The child was visually impaired, but it levelled the playing field. It placed the child in a position where being differently-abled did not matter. That is what informed the policy of the UNC and that is what I want to recommend to this

administration, to start intervening at the earliest stage and allowing the differently-abled to become the best that they can be. [*Desk thumping*]

That is what it is about. It is about providing rehabilitation, education, training, empowerment and discouraging dependency. The time is now and now is the time when we must prepare for the future and the future is about enabling persons, irrespective of their circumstances, to participate in the activities that would address the future. That is what it is all about. As a futurist, we must think about tomorrow. I want to recommend to the administration that it take cognizance of the importance of looking after citizens who cannot look after themselves.

Thank you very much.

**10.40 p.m.**

**The Minister in the Office of the Prime Minister (Sen. The Hon. Christine Kangaloo):** Madam President, when I initially made my presentation, it was on the false assumption that everyone in this Chamber was tired; it was late, and that really and truly everyone would have appreciated an abbreviated presentation. But, I have listened to all the speakers, and I feel at this stage I would do an injustice to the Government if I did not seek to answer all the issues that have been raised. [*Desk thumping*]

Madam President, over and over, we are hearing about this “lousy increase”, “this mere increase of \$50 per month”. I want to say that there are persons who are now going to be added to the category who will be entitled to this grant; persons who have not been receiving anything and would now be receiving \$650. [*Desk thumping*]

Madam President, we have to look, in the wider context, at what the Government has sought to do in this Bill. It is not merely about increasing the grant by a mere \$50; it is about widening the net. To appreciate what this Government has sought to do, I should indicate to hon. Senators what the additional cost to the taxpayers would be by making these increases. Last year the Disability Grant was administered at a cost of \$59,640,000. With these increases it is expected that the expenditure would be in the realm of around \$139,454,000. [*Desk thumping*] We are looking at an estimated increase of some \$70 to \$79 million on an annual basis. [*Desk thumping*] That is the first thing I want to point out, Madam President.

The second thing that I want to say is that one has to look at what this Government has done, in the wider context, for persons with disabilities as well

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as other vulnerable and needy persons in our society. In the Government's 2002/2003 budget, it implemented several increases to various grants that were administered by the Social Welfare Division. In addition to increasing public assistance, this administration made sweeping changes to certain grants that are available through the Social Welfare Division, which can be accessed by persons with disabilities. I feel I should point out some of these increases.

The House Repair Grant was increased from \$3,000 to \$5,000. [*Desk thumping*] Household articles was increased from \$1,500 to \$3,500. [*Desk thumping*] Medical equipment was increased from \$1,500 to \$5,000. Funeral Grant was increased from \$1,272.88 to \$3,450. [*Desk thumping*] Pharmaceutical Grant was increased from \$300 to \$500. [*Desk thumping*] I can go on, but these are some of the grants, Madam President. [*Interruption*] Oh you want me to continue? Well the Book Grant, Madam President, was increased from \$500 per family to \$500 per child. [*Desk thumping*] There is a Uniform Grant that was increased from \$200 per family to \$200 per child. [*Desk thumping*] There is a Clothing Grant that was increased from \$200 per family to \$200 per person. [*Desk thumping*] These are the one-off grants, Madam President.

There were certain monthly grants that were also increased, and it is very important to point out that a Special Child Grant was increased by this administration from \$80 to \$300 per month. [*Desk thumping*] So it is not correct to say that we are not catering for all persons with disabilities. There is a system in place where persons between the ages of zero and 18 would access the Special Child Grant and from age 18 to 65 would access the Disability Grant of \$650. So we are attempting to deal with all the age categories.

Madam President, I wish to point out as well that these grants, which I have set out here, were last increased in 1992 before this administration did it in 2003. [*Desk thumping*]

Madam President, Sen. Mark spoke ever so passionately about giving old age pensioners the \$50 increase. I want to point out to Sen. Mark that it is my understanding that when the Old Age Pension was increased to \$1,000, by this administration, it was the largest increase of \$200 that was ever made. [*Desk thumping*] That is my understanding, Madam President. [*Desk thumping*]

The second point, which I think I need to make, is with respect to what Sen. Mark said. He kept asking: "Why is the Disability Grant not in the same level of the Old Age Pension?" Madam President, really and truly we on this side

should be asking those on that side that question. When the Disability Grant was introduced, it was tied to the Old Age Pension. It was \$520, not \$600, as Sen. Mark seems to be forgetting or which he seems to be a little confused about. Madam President, it was \$520 when it was first introduced. It was the former administration by Act No. 8 of 1999 and Act No. 10 of 1999 that separated the two. They increased Old Age Pension and they kept the Disability Grant at the original \$520. So I am really a little confused as to why Sen. Mark is asking us this question when it was implemented by those on the other side.

Madam President, Sen. Mark keeps alluding to the \$50 increase and I wish to point out to him that in the last budget of the UNC administration, they sought to increase the Old Age Pension from \$520 to \$600 at a cost of some \$7 million. Just compare the figures, Madam President, and let us see if we would be talking about the “mere increase, the lousy increase, the paltry increase”.

Madam President, I listened very carefully to Sen. Dr. McKenzie and I noted the passion with which she spoke about the fate of persons with disabilities. I want to assure the hon. Senator that we on this side are ensuring that everything that we do, we do with persons with disabilities in mind. When we have consultations we are involve persons with disabilities. We believe that they should be involved in the decision-making process. I wish to inform the hon. Senator that the Office of the Prime Minister (Social Services Delivery), in September of last year, hosted a consultation which involved persons with disabilities and institutions of and for persons with disabilities. This consultation was said to be the first of its kind. They spoke to us; they told us what they felt was needed to be done by the Government, and we are attempting to address all the issues they have raised with us at that consultation.

I also wish to point out, Madam President, that the Ministry of Education and the Office of the Prime Minister (Social Services Delivery) are working together. There is the special education unit of the Ministry of Education, and that unit is actively involved with the Disability Affairs Unit of the Office of the Prime Minister.

I have also been informed by the Ministry of Education that it has established a Students Support Services Unit, which is employing, among other things, guidance officers, school social workers and diagnostic prescriptive officers. These officers would assess students, starting from year one in primary school and early childhood care centres to ascertain disabilities, be they mental, hearing, or vision. So we are working with the Ministry of Education. We understand that we need to assess the students from very early so that we would

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be able to channel them in the right direction, so that the education system could attend to their special needs. That is an ongoing process with the Ministry of Education.

Issues about accessibility of buildings and sidewalks were raised. I wish to point out that the Office of the Prime Minister (Social Services Delivery) has been in communication with the Minister of Planning and Development with respect to enforcing building codes to ensure that all public buildings are accessible. In addition to that, Madam President, the Office of the Prime Minister (Social Services Delivery), the Disability Affairs Unit, has been speaking to the Offices of the Mayor of Port of Spain and San Fernando, all those various divisions, to ensure and to seek their cooperation that all buildings being constructed would be accessible; all sidewalks, when being redone, would be accessible to the disabled. The Mayor of Port of Spain has given the undertaking that whenever they are going to redo pavements they would be made accessible to persons with disabilities.

Sen. Dr. McKenzie also raised the issue of caregivers for persons with disabilities. I think that she will be very pleased to know that one of the new projects of the Disability Affairs Unit of the Office of the Prime Minister for this fiscal year is a project that is designed with training caregivers for persons with disabilities. We are doing that in collaboration with the Geriatric Adolescent Partnership Programme (GAPP) and the Youth Training Employment Partnership Programme (YTEPP). We are looking at the training of personal assistants or facilitators to aid those persons with disabilities. We are also seeking to establish a disability assistance fund, which would provide support to persons with disabilities to purchase special aids and equipment. Sen. Dr. McKenzie, I hope that you will be happy to hear that those things are in the process with the Office of the Prime Minister, (Social Services Delivery).

I also wish to point out that the Disability Grant is not the only way this Government provides for persons with disabilities. I wish to point out this administration works with several non-governmental organizations by way of funding those organizations. I would list some of them: National Centre for Persons with Disabilities; Goodwill Industries; Lady Hochoy Home; a wide net of organizations. I wish to point out that through the various ministries some \$26 million in annual subventions is given to those organizations for persons and of persons with disabilities. Madam President, I want to give you the example that some \$5.5 million is expended by the Ministry of Education on salaries of teachers at special education schools. Some \$9.5 million is expended

from the Ministry of Health, and approximately \$11 million from the Office of the Prime Minister (Social Services Delivery). That happens to be the largest portion of subventions provided by the Office of the Prime Minister (Social Services Delivery) to non-governmental organizations.

With respect to transportation, I am happy to report that the Ministry of Works and Transport has ordered five accessible buses for persons with disabilities. [*Desk thumping*] May I also point out that in the past year an accessible bus was purchased by the International Institute of Health and Human Development. It was purchased with the assistance of the Community Development Fund, which is administered by the Ministry of Community Development and Culture. A donation of some \$150,000 was given to this organization to purchase this bus.

Madam President, you will be pleased to know as well that Government waived all import duties with respect to this particular bus and that the Office of the Prime Minister (Social Services Delivery) partners with this organization at present. The bus is now running along the East-West Corridor and Port of Spain and its environs. It is working quite well, from what I understand, and we are seeking to partner with other organizations across the country in this regard.

May I also point out that in fiscal 2004 all road works to be undertaken by the Highways Division of the Ministry of Works and Transport would be user-friendly for the differently-abled population. The sidewalks on Wrightson Road would be redesigned to be made more user-friendly for persons with disabilities and all new walkovers would be designed to accommodate the disabled.

The Ministry of Community Development and Culture has also indicated that all its existing community centres and other community facilities would be refurbished to include ramps, washrooms and other facilities for persons with disabilities.

Madam President, without going on and on, it is very obvious for those who care to listen; for those who care to believe that this administration is very much focused on the needs of persons with disabilities.

**Sen. Mark:** Thank you very much, Madam President. May I ask my hon. senatorial colleague if she can clarify for my information: What is the percentage of disabled people in the country? I did not see all the amendments and I asked the question whether she was substituting 20 years for three years in terms of the resident, and she said no, I had it wrong. I just want her to clarify that for me.

**Sen. The Hon. C. Kangaloo:** Madam President, Sen. Mark is pre-empting me, I have not finished. I will get to all of that. He seems to feel that I should have dealt with all his issues first. But let me continue, Madam President.

Sen. Mark indicated that some 15 per cent of the population are persons with disabilities. Again, I have to say to him I do not know from where he is getting his information. The World Health Organization estimates that in any given population, 10 per cent of the population would be suffering from one disability or another. In 1991, a sample survey was conducted in Trinidad and Tobago and it was indicated that 6.8 per cent of the population, of approximately 1.2 million at that time, had a disability of some sort. So I do not know from where Sen. Mark is getting this 15 per cent. What I do want to say is that we do not want to work with estimates, so that the Office of the Prime Minister (Social Services Delivery) is trying to establish a database of all persons with disabilities. The questionnaires have gone out, they were published in the newspapers, they were sent to NGOs, across the board, to get the information so that we could establish exactly how many persons we are treating with. The 15 per cent, Madam President, is a figment of his imagination, as far as I know.

**Sen. Seetahal:** May I ask the Minister a question at this point? Just for clarity, when you say that you are trying to get the number of persons, what do you define disability by, are you going with the United Nation's definition?

**Sen. The Hon. C. Kangaloo:** Actually, the forms are very detailed. I could read you the forms. I am not sure if it goes specifically with a definition but it sets out the different types of disabilities, whether it is mental—[*Interruption*]

**Hon. Senator:** Read the form! Read the form! We have time. [*Laughter*]

**Sen. The Hon. C. Kangaloo:** Madam President, we understand that to treat with the issues that are facing us with respect to policies to be implemented for persons with disabilities we need to have very clear statistics, and that is what we are attempting to do by setting up the database.

Madam President, Sen. Mark also asked a very strange question: "Why change the residency requirement from 20 years to three years?" One of the major thrusts is to reduce access to the grant from 40 years to 18 years, so obviously an 18-year old could not be living in the country for 20 years before applying for the grant, so we had to reduce the residency requirements. And after consultation with officers in the Office of the Prime Minister (Social Services Delivery) who administered the grant, it was felt that this was a

reasonable position to take. [*Interruption*] It was 20 years before. It was just a clear case of arithmetic, Madam President. [*Laughter*]

Sen. Seetahal raised certain issues and I am now trying to remember these issues clearly. I think she raised the issue about the difference between public assistance and disability and the type of—

**Sen. Seetahal:** May I help you, if you are trying to remember? One was the difference between the two grants, because I read from the Act, under the Rules that a person in public assistance would be a person who is disabled.

Secondly, why must it be a person who is unable to earn a livelihood, who would be able to access it? Why is it that those persons who earn a stipend—let us say \$301—would not be able to access this? Those are the matters I asked about, in particular.

**Sen. The Hon. C. Kangaloo:** Madam President, under the Disability Grant the disability is permanent, under the public assistance the disability can be of a temporary nature. That is the difference between both grants. With respect to the ability to earn a livelihood, because it is anticipated that your disability is to such an extent rendering you unable to earn a livelihood, is why you have that phrasing. Am I answering the question? I am not sure, Madam President.

**Sen. Seetahal:** Not really, because if public assistance is the same amount as Disability Grant—I wanted to know the amounts, that kind of thing.

**Sen. The Hon. C. Kangaloo:** No. I am sorry; the amounts paid under public assistance are less than what would be paid under the Disability Grant. Under the Disability Grant a person would now get \$650 per month but a single individual under public assistance would get \$320 per month. The disability under public assistance is temporary in nature. The maximum of a Public Assistance Grant could be 12 months and then it is reviewed. So that is the difference between the two types of grants.

I also wish to point out that notwithstanding the fact that the Government, through various ministries, pays subventions to a host of organizations of and for persons with disabilities, whenever organizations are in need of special funding the Government also seeks to assist those organizations. Recently, for example, the Lady Hochoy Home was damaged by a fire, the Office of the Prime Minister (Social Services Delivery) made an intervention. The National Centre for Persons with Disabilities ran into some financial difficulties, the Office of the Prime Minister (Social Services Delivery), made an intervention.

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There are several organizations that have benefited from the Community Development Fund and I would just name a few.

The Charis Works Christian Academy

The Happy Haven School

The Nemesia Vocational Training Centre

Trinidad and Tobago Chapter of Disabled Persons International

The Lennard Cheshire Foundation Homes

Deaf Pioneers

Goodwill Industries

National Centre for Persons with Disabilities

So that across the board the Government seeks to strengthen its relationship with these organizations so that what assistance it lends to persons with disabilities would be strengthened.

Madam President, I do not think there is much more I can add at this stage. I hope I have answered all the questions. One more issue Sen. Mark raised was the discretion that would be afforded to the Minister. I want to point out, Madam President, that that is not unfettered discretion, it is a discretion that would only be exercised where someone meets all the requirements under the Act to be eligible for disability assistance, has not reached the full three-year residency requirement but they must be residing for 12 years. So it is not an unfettered discretion to be exercised by the Minister.

**Sen. Seetahal:** Madam Minister, I am afraid you did not answer two of my very pointed questions and I would like to have then dealt with. One was the question of the qualification that you cannot be earning more than \$3,600 per year. I raised that twice in terms of what we are going to do about it. If we have people like the Blind Welfare and Sen. Dr. McKenzie's School who are doing things, they are effectively blocked—I went on at length about this—and you are ensuring that these people remain unable to earn a livelihood. I went on about that and I thought I made a big point that needed answering.

Secondly, why do you want to include in your legislation an additional burden for these people to be asked to be approved by a medical officer when they are already approved by the board? I asked those questions and you have not replied to them.

**Sen. The Hon. C. Kangaloo:** I am so sorry, Madam President, I did not realize—It was an oversight on my part. Let me say that with respect to the stipends paid, we have to operate within the confines of the Act and there is an income ceiling, so for the time being we have to stay within that income ceiling. The same thing applies to the Old Age Pension; there are income ceilings that are applied and that is just how it is for the time being. As it is right now, even with that \$3,600 per year you have some 8,000 persons who are receiving the Disabilities Grant.

The second issue with respect to the medical report, may I point out that initially when the grant was first introduced, there was a need for the medical report. The Act was then amended. The requirement for the medical report was taken out but the regulations still had the need for the medical report. It is felt that because of the disability one would need some sort of medical input in accessing a person's entitlement to the Disability Grant. Madam President, that is why the requirement for the medical report is now being put in.

**11.10 p.m.**

Madam President, there is one more thing. Sen. Baksh spoke about UNC policy on disabilities. May I just inform this honourable Senate that the policy on persons with disabilities was first introduced in 1993 and approved, in principle, by Cabinet in 1994, under a PNM administration.

*[Desk thumping]* There was never a UNC policy on persons with disabilities. May I just inform hon. Senators that the policy is at present being up-dated. It is before the National Co-coordinating Committee on Persons with Disabilities, and their first mandate is to update the policy.

Madam President, I do not think that I can say anything more, so that I now beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

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

*Senate in committee.*

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

*Senate resumed.*

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

*Adjournment*

*Tuesday, February 10, 2004*

**ADJOURNMENT**

**The Minister of Community Development and Culture (Sen. The Hon. Joan Yuille-Williams):** Madam President, I move that this honourable Senate do now adjourn to a date to be fixed.

Let me wish all those who are involved in the Carnival a safe, clean Carnival and those who are not, that you enjoy the period of rest.

**Sen. Mark:** Madam President, could I ask my colleague and friend whether we would be proceeding with the bills in the current order on the Order Paper when we return to this Senate?

**Sen. The Hon. Yuille-Williams:** We expect to do bills Nos. 3, 4 and 5. Thank you.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 11.15 p.m.*