

SENATE*Tuesday, March 09, 2004*

The Senate met at 1.30 p.m.

PRAYERS[MADAM PRESIDENT *in the Chair*]**JOINT SELECT COMMITTEE**

Madam President: Hon. Senators, I have received the following correspondence from the Hon. Barendra Sinanan, Speaker of the House of Representatives:

“March 08 2004

Sen. The Honourable Dr. L. Baboolal,
President of the Senate,
Parliament,
Red House,
Abercromby Street
PORT OF SPAIN.

Dear Madam President,

Announcement of a Joint Select Committee

At a sitting held on Friday, March 05, 2004 the House of Representatives agreed to the following resolution.

‘BE IT RESOLVED that the following Members be appointed to serve with an equal number from the Senate on the Joint Select Committee to consider and report on Government’s arrangement with appropriate permission for full debates on 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 from the end of the year, 2004.

AND BE IT FURTHER RESOLVED that the Joint Select Committee be appointed to consider and report before June 30, 2004 so as to facilitate Government’s action.’

At that sitting the House of Representatives appointed the following six Members to serve with an equal number from the Senate on the Joint Select Committee: Dr. Keith Rowley, Mrs. Camille Robinson-Regis, Mrs. Eudine Job-Davis, Mr. Edward Hart, Mr. Ganga Singh, and Dr. Roodal Moonilal.

Joint Select Committee
[MADAM PRESIDENT]

Tuesday, March 09, 2004

The resolution is accordingly forwarded for the attention of the Senate at the earliest convenience.

Yours sincerely,

Barendra Sinanan MP
Speaker”

REGIONAL HEALTH AUTHORITIES (AMDT.) BILL

Bill to amend the Regional Health Authorities Act, 1994, brought from the House of Representatives [*The Minister of Health*]; read the first time.

PAPERS LAID

- (i) The annual report of the Trinidad and Tobago Securities and Exchange Commission for the financial year ended September 30, 2004. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
- (ii) The Agricultural Census Order, 2004. [*The Minister of Planning and Development (Sen. The Hon. Dr. Lenny Saith)*]

ORAL ANSWERS TO QUESTIONS

**Investigation into the Piarco Airport Project
(Mr. Robert Lindquist)**

- 38. Sen. Wade Mark** asked the hon. Attorney General to state:
- A.
 - (i) Who instructed Mr. Robert Lindquist and/or companies owned by or affiliated to him to continue the investigation into the Piarco Airport Project on or about January 2002; and
 - (ii) Were the instructions oral or in writing?
 - B. If the instructions were orally given, would the Attorney General inform this Senate where, when and by whom was the oral communication made?
 - C. In respect of the investigations into the Piarco Airport Project:
 - (i) would the Attorney General inform this Senate which Fund and from which Ministry was Mr. Lindquist paid for the period January, 2002 to present; and
 - (ii) provide copies of the invoices giving dates and amounts?

The Attorney General (Sen. The Hon. John Jeremie): Madam President, question No. 38, posed by Sen. Mark, is specific in focus and narrow in scope. It

speaks to matters connected with the engagement of Mr. Bob Lindquist and to matters connected with the Piarco Airport Project.

Unfortunately, both of these matters are the subject of court proceedings. In the case of the former, that is the subject of a decision of the High Court, which is on appeal in the case of Northern Construction vs. the Attorney General. In the case of the latter, that is the subject of proceedings, which are under foot as we speak, and as such I am unable to answer the question. I refer you to Standing Orders 17(1)(g)(vi). Thank you.

Madam President: Hon. Senators, since the Attorney General has pointed out that these matters are sub judice, I think we would have to move on.

Sen. Mark: Madam President, I can understand the second part of his submission. I do not understand the first part. It talks about some matter that is before the court at this time.

Madam President: The High Court.

Sen. Mark: Yes. I understand that part. I did not know Mr. Lindquist was before the High Court of this country.

Madam President: The Senator said that the other part in respect of investigations into the airport project is now a matter before the court.

Sen. Mark: Madam President, when questions are approved by you and they appear on this Order Paper I think, for instance, you are the person who will give the final say on these matters. You would have taken into account all these matters and once they appear on the Order Paper, it means that the President of the Senate is satisfied that the questions are in order; that is why they appear on the Order Paper. For the Attorney General to quote a Standing Order before this Senate merely to dodge answering a question that we have asked, that this Legislature is independent of the Judiciary—this is why you have the separation of powers.

Madam President, there are sections of this question—if he does not want to answer, but in the case of Mr. Lindquist I do not understand why he would want to deny the Parliament the right of knowledge.

Sen. The Hon. J. Jeremie: I thought that I was clear enough. The issue of the relationship between Mr. Lindquist and the Government and the terms of his retainer are the subject of court proceedings in Trinidad and Tobago. Those court proceedings in the High Court relate to the Northern Construction and the

Attorney General's constitutional motion. That matter is now on appeal so that the issue is alive and before a court of competent jurisdiction. It is the first part of the question, Madam President.

Madam President: Sen. Mark, could we please move on to the next question?

Sen. R. Montano: Madam President, I was listening to what the Attorney General had to say, and with the greatest of respect, he is misleading the Senate.

What sub judice means is that you cannot discuss contentious matters that are before the courts. Sub judice does not mean that one cannot answer a question that is not contentious. There is nothing contentious about who instructed Mr. Robert Lindquist and there is nothing contentious whether the instructions are oral or in writing. There is nothing contentious about that, so to hide behind this sub judice umbrella is doing just that. It is a distortion of the sub judice rule, and it is misleading the Senate.

Madam President: Hon. Senators, to begin with Sen. Mark, usually when a question comes to us we do take great pains to ensure that the question is right, et cetera. When this question was approved I cannot honestly say if it was already before the courts or not or maybe we missed it and that is how it must have gone on the Order Paper. I cannot force the Attorney General to answer the question and if his reasoning is that he would be going against the Standing Orders, and if he, as the Attorney General, has advised us that this is sub judice, I would have to go by his advice. You will appreciate that.

Sen. Mark: Madam President, the Attorney General cannot use his office in this Senate to pollute and contaminate the democratic process.

Sen. The Hon. J. Jeremie: On a point of order. The Senator is imputing improper motives.

Madam President: Sen. Mark, when you say he is using his office, whatever it is you said—

Sen. Mark: I said he cannot use it. I did not say he was using it. I think he had it all confused as usual.

Madam President, may I suggest that we on this side do not support this view that this matter cannot be addressed in the Parliament at this time. We feel that it is a legitimate matter and we believe that the Attorney General must answer the question.

Sen. R. Montano: Madam President, with the greatest of respect, if your ruling is that you cannot force the Attorney General to answer the question, full stop, then we have to abide by whatever you say. But if your ruling is that you see the matter is sub judice, with the greatest of respect, you are wrong. It is not sub judice and the Attorney General is also guilty of misleading this Senate. And in those circumstances, I would ask that you revisit—If it is imputing improper motives, I am imputing improper motives. [*Interruption*]

Madam President: Both Senators cannot stand at the same time.

Sen. The Hon. J. Jeremie: On a point of order. You are imputing improper motives. The Senator should be aware that statesmanship is not showmanship and the correctness of—[*Desk thumping*]

Madam President: The fact remains is that I cannot force any Minister to answer a question.

Sen. R. Montano: Madam President, may we call for a division. And for the record I am imputing improper motives and I am saying that it is wrong to invoke the sub judice rule.

Sen. Dumas: It is also wrong to come and try to get your partners off.

Sen. R. Montano: What! Repeat that!

Sen. Dumas: It is also wrong to come here to try and get your partners off.

Sen. R. Montano: Who is trying to get his partners off? I am not!

Sen. D. Montano: Madam President, may I refer you to May's, page 302?

Madam President: I do not have it in front of me. Do you want to read it?

Sen. D. Montano: Matters set down for trial or otherwise before a civil court may not be referred to in any debate or question.

Madam President: Could we move on please to question No. 39?

Sen. Mark: You would have to put it before the Senate, would you not, Madam?

Madam President: Why would I have to put it before the Senate?

Sen. Mark: If the Attorney General is saying that in accordance with the Standing Orders he is not answering the question, we on this side are saying, no. He has a misinterpretation of the Standing Orders and, therefore, we are saying that the Attorney General can come at any time and conveniently use the Standing Orders as the Attorney General and seek to cover up and to hide things.

Madam President: Sen. Mark, he is not using it as the Attorney General. I do not think he is using it from that position, but rather that any other Senator with a question posed to them could have pointed out it was sub judice and I have to accept that. You want to vote, we will put it to the Senate.

Sen. Dr. Saith: Madam President, I do not think we should be setting that precedent. The Attorney General has made a request of the Chair, and has given his reasons why he has made the request. The Chair can rule—

Madam President: And I have ruled.

Sen. Dr. Saith: And if the Chair has ruled, that is it. We do not vote on your ruling. [*Crosstalk*]

Madam President: That is right.

Sen. Dr. Saith: If the Opposition wants to bring a [*Crosstalk*]

Madam President: Senators, I think we are taking this a little too far. Firstly, I cannot force a Senator to answer a question and secondly, because the Attorney General has pointed out that it is sub judice. On those two points we move on to question No. 39.

Sen. R. Montano: Madam President, can the Attorney General identify what exactly is sub judice? What is the issue because there is nothing that is sub judice about this. Is it Mr. Lindquist himself? Exactly what is before the court?

Madam President: Let us move on to question No. 39, please. Sen. Mark—
I have ruled that we are moving on. [*Crosstalk*]

Sen. R. Montano: ...protect the Government, you know.

Madam President: Sen. Robin Montano, please be very careful in what you are saying.

Sen. R. Montano: I am very careful, Madam President.

Madam President: All right. Okay.

Sen. Mark: Madam President, we call for a division on this particular matter.

Madam President: There is no question before the Senate.

Sen. Mark: Madam President, you have just ruled. You have just indicated for the record of *Hansard* that if we want a division we would have it and we are saying we want to abide by your ruling and we call for a division on this matter. The Attorney General is saying that he is not answering the question and we are

saying, for instance, the Attorney General must answer the question.

Madam President: Question No. 39 please, Sen. Mark. There is no reason for a vote.

Sen. Mark: Madam President, with respect, you have just indicated to this honourable Senate that you would like us to take a vote on it. We are saying that we would like to put the question to you that we are not in favour with the reasons advanced by the hon. Attorney General, and, therefore, we would like you, as President, to put it to the Senate so that we can record our dissatisfaction with his interpretation.

Madam President: Hon. Senators, sometimes question time is so contentious that I am beginning to wonder what we are really about. I want to ensure Sen. Robin Montano that I am not making a ruling in favour of the Government or the Opposition. I am simply making a ruling on the facts that have been placed before us today and which I have to be guided by. Those facts are:

1. That some of the matters asked here are sub judice. [*Crosstalk*]

Sen. Mark: Madam President, just a clarification. I would like to suggest with respect, because of the fact we cannot take the Attorney General's word as gold, to suggest that this particular question be deferred pending your ruling. In other words, we would like to get some opinion because we believe that you, as the President, ought to be properly informed. When I say properly informed, I am not saying you are not informed, but we take strong objection to the Attorney General of this country coming to this Parliament and seeking to guide the President of this Senate, and we must accept that as the gospel. We would like the question to be deferred. You interpret it in terms of an illegal interpretation and report back to the Senate. We do not want any Attorney General coming to tell us this is wrong and this is right.

Sen. The Hon. J. Jeremie: Madam President, I obviously was not attempting to tell you who was right or wrong. The simple point which I attempted to make earlier is that statesmanship is not showmanship and the level of one's voice is no indication of the correctness of one's position. The point is that both of these matters are before the courts. In the case of the question of Mr. Lindquist, that is the subject of an affidavit; the relationship between Mr. Lindquist and the State is the subject of an affidavit in the Northern Construction matter, which is under appeal. That is a fact.

Madam President: I accept the Attorney General's explanation and we move on to question No. 39.

Sen. Mark: Madam President, we want to record our strongest objection on this matter. We will, in the interest of due process, go to question No. 39.

Sen. Dr. L. Saith: Madam President, I wish to advise that the Minister of Trade and Industry and Minister in the Ministry of Finance indicated that he has not received the answer to this question and would like if it could be deferred for two weeks.

Sen. Mark: Is the Minister saying a question, or questions?

Madam President: Is it one or two questions Sen. The Hon. Dr. Saith? Both questions?

Sen. Dr. Saith: Question No. 39

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

**Point Lisas Industrial Development Company
(Tenders)**

- 39.** Would the hon. Minister of Trade and Industry and Minister in the Ministry of Finance inform this Senate of:
- A. (i) the number of bids received by Point Lisas Industrial Development Company (PLIPDECO) in respect of tenders for the supply of the harbour mobile crane;
 - (ii) the names and addresses of the companies that submitted tenders; and
 - (iii) the names and address of the successful tenderer?
 - B. Whether the successful tenderer was recommended by the PLIPDECO management in their evaluation report on the bids?
 - C. If the successful tenderer was not recommended by the PLIPDECO Management in their evaluation report, could the Minister state on whose recommendation was the successful company selected?

Sen. Mark: Madam President, you know, and all of us are aware, that these questions have been on the Order Paper for a considerable amount of time. I cannot run the Government. It must run its affairs, but it is becoming too obvious to you, and to us on this side, that the incompetence that is being demonstrated on that side is cause for concern. We, on this side, are not prepared to grant any further extension to the Minister of Trade and Industry and Minister in the Ministry of Finance to answer this question. He has had enough time.

We propose that this question be answered today and we are prepared to defer it so that Minister Valley could be found and brought to the Parliament.

Madam President: Is it that Mr. Valley cannot be found or the answer is not ready?

Sen. Dr. Saith: Madam President, obviously, Senators are not listening. I said that Mr. Valley indicated that he is not in a position to answer this question. He still has more information to get. This is the first time the question has occurred on the Order Paper and I am asking on his behalf to be given two weeks to answer the question.

Sen. Mark: We will compromise and give a one-week extension, not two.

Madam President: Will one week do?

Sen. Dr. Saith: Madam President, we are not at a bazaar haggling whether one should pay five cents or 10 cents. If I say that the Minister feels that he needs two weeks to get the information, telling him one week is not going to change the price of cocoa.

Madam President: Senators, we would have the answer to this question in two weeks' time.

Sen. Mark: Madam President, we would like it to be deferred for one week.

Question put.

The Senate divided: Ayes 20 Noes 8

AYES

Saith, Hon. Dr. L.

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.

Titus, R.

Abdul-Hamid, Hon. M.

Kangaloo, Hon. C.

Sahadeo, Hon. C.

Ramroop, Hon. S.

King, Mrs. M.

Deosaran, Prof. R.

Quamina, Dr. D.

Anmolsingh-Mahabir, Mrs. P.

Khan, Bro. N.

NOES

Mark, W.

Baksh, S.

Kernahan, Dr. J.

Montano, R.

Seepersad-Bachan, C.

Augustus, R.

Seetahal, Miss D.

Ali, B.

Senators Dr. E. Mckenzie and Prof. K. Ramchand abstained.

Question negatived.

Madam President: Would the hon. Minister bring the answer in two weeks, please?

Question, by leave, deferred.

Overseas Tours (Costs Incurred)

- 40. Sen. Wade Mark** asked the hon. Prime Minister and Minister of Finance:
 Could the Minister provide the Senate with a detailed breakdown of the costs incurred by the Government of the Republic of Trinidad and Tobago on his recent trip to Nigeria, Spain, England and Washington with

particular reference to air travel, hotel accommodation, ground transport and entertainment while on his overseas tours?

The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill): Madam President, the breakdown of the costs incurred by the hon. Prime Minister and Minister of Finance in respect of his official visit to Nigeria, Spain, England and Washington is as follows:

The airfare to Nigeria and England—\$60,125.40.

Nigeria: There were no costs to the Government in respect of accommodation while in Nigeria. Contingencies inclusive of telephone, Internet, ground transportation, and portage—\$17,467.95.

In England, the cost to the Government of the Republic of Trinidad and Tobago in respect of the Prime Minister's accommodation—\$31,665.33. Contingencies—\$329.70.

Spain: There were no costs to the Government of Trinidad and Tobago in respect of the Prime Minister's airfare.

Accommodation—\$12,090.85.

Contingencies—\$126.00.

Washington: Airfare—\$11,394.65.

Accommodation—\$6,570.98.

There were no costs in respect of official entertainment on any of these trips.

Sen. Mark: Did the Prime Minister incur any ground transport costs while he was in England?

2.00 p.m.

Sen. The Hon. C. Enill: The ground transportation cost, according to the information available to me, existed in Nigeria. In Spain there was no ground transportation cost.

Sen. Mark: In London.

Sen. The Hon. C. Enill: In London? No.

Sen. Mark: Madam President, through you, is the hon. Minister indicating to this Parliament that the Prime Minister incurred no cost whatsoever as it relates to ground transportation whilst he was in London? Is that what he is telling us? We want to be clear on it. I am not too clear.

Sen. The Hon. C. Enill: That is information that I have at this time, Madam President.

Sen. Mark: Madam President, seeing that the Spain leg of the Prime Minister's trip witnessed no expenses as it relates to air transportation, could the hon. Minister tell this Parliament how the Prime Minister got from London to Spain? Could he tell us? Did he fly, and who paid for it?

Sen. The Hon. C. Enill: Madam President, I do not have the answer to that particular question because that question, really, was not asked. The question that was asked is about costs relative to his official visit and that is what I currently have available.

Sen. Mark: Madam President, the Minister responded by saying that the Prime Minister did not incur any expenses for air transportation whilst he was in Spain. We are just asking the hon. Minister how did the Prime Minister get to Spain. Was his flight sponsored? Did he get a free ride? We want to find out.

Sen. The Hon. C. Enill: Madam President, I do not have that information, but if the goodly Senator would file a question I would get the answer for him.

Sen. R. Montano: Madam President, could I ask a question?

Madam President: Yes, go ahead.

Sen. R. Montano: Having regard to what has fallen from the Minister's lips, is the Minister aware that the Prime Minister has said that in fact, he took a flight on a Repsol plane? Could he confirm that that, in fact, is what he went on? I have another question if you confirm that.

Sen. The Hon. C. Enill: No, Madam President, I do not have that information.

Sen. R. Montano: Madam President, is the Minister aware that not only has the Prime Minister said that he got a flight on the Repsol plane, but that Repsol is a company that has a very sad human rights record in Latin America? Is he aware of that, and that they have a bid in for—

Madam President: Sen. Montano.

Sen. Mark: Madam President—

Madam President: Final question?

Sen. Mark: Yes, Madam President. Is the hon. Minister going on public record in the Senate when he said that he is not aware that the hon. Prime Minister

is on public record as saying that he was provided with a free flight by a company called Repsol from Spain to London? Is the Minister putting on record this he is not aware of this public statement that was widely circulated in this Republic? I just want to find out, Madam President, if that is what the Minister is telling this honourable Senate. [Pause] Could the hon. Minister indicate to us? That is a very serious charge, you know.

Sen. The Hon. C. Enill: Madam President, as far as I am aware a statement was made on this some time ago, it is a matter of public record and I have nothing to add.

Sen. R. Montano: Madam President, is the Minister aware that Repsol has two bids in for certain—

Madam President: I am sorry Sen. Montano, but that is not part of this question.

Sen. R. Montano: It is part of the question.

Madam President: Could we move on, please?

Sen. Mark: Madam President—

Madam President: Could we move on, please?

Sen. Mark: Madam President, I am off that particular line.

Madam President: Uh huh.

Sen. Mark: I am just trying to get clarification on another matter.

Madam President: All right, go ahead.

Sen. Mark: Madam President, if you turn to the last two pages of the Order Paper, written answers, you would remember that you had given a ruling on this matter.

Madam President: Oh yes.

Sen. Mark: Madam President, every deadline for each question that the Opposition has posed and has been referred for a written response, has been breached and violated by the Government. We would like you to instruct the Government to submit their answers post-haste.

Madam President: Hon. Members, we have, in fact, received responses to questions 10 and 19 which should have been circulated. If the Government has

any more responses, can they be passed to the Clerk so that they can also be circulated?

[Clerk is on his feet reading the Order Paper]

Sen. R. Montano: *[On his feet]* Madam President—

[Clerk continues to read]

Sen. R. Montano: Madam President—

Madam President: Senator, the Clerk is on his feet.

Sen. R. Montano: I know, Madam President, but he has not given me a chance to find out what is your ruling on the others. You just said questions 10 and 19 were available—

Madam President: Yes.

Sen. R. Montano: —but you did not say anything about the others.

Madam President: What are the others? I am sorry.

Sen. R. Montano: All the others.

Sen. Mark: Madam President, if I may help you. Look at question No. 3 in the Appendix, in the name of Sen. Sadiq Baksh, you will see that the answer was due since December 02. In the case of my good self—

Madam President: Which question is that one?

Sen. Mark: Madam President. Question No. 3 on the Appendix, the first question by the hon. Sen. Sadiq Baksh. If you look at all the questions that have not so far been answered in written form, every deadline has been breached by the Government. We are saying they are in breach of your ruling. You gave them 28 days to respond and they have failed to do it. The incompetence of the Government is—

Madam President: Sen. Dr. Saith, I do not know if you could give us some kind of guideline as to why the answers to these written questions are not in.

Sen. Dr. Saith: Madam President, every effort is being made to collect the information that these questions require. I think that sometimes we need to look at the information. We have had questions for written answers which have taken months to get the information. The fact that it has taken months is a reality. That the Senator would put an arbitrary time limit of three weeks is just—Every effort is being made to provide the information that is required and we would continue to do so.

Madam President: Therefore, you the Ministers would attempt to bring these answers as soon as possible.

Sen. Dr. Saith: Uh huh.

Sen. Mark: Madam President—

Madam President: Yes, Sen. Mark.

Sen. Mark: The Senator has just misled you.

Madam President: What did he mislead me on?

Sen. Mark: It is not Wade Mark, Madam President, who is putting a deadline. You are on record as saying 28 days. The Government must put its house in order.

Madam President: All right.

Sen. Mark: That is what they must do. They are totally disorganized.

Madam President: Sen. Mark, no speeches, please. Yes, there is a limit, there is a deadline but, as Sen. Dr. Saith has said, it can take months to get the information and I think you want the right information. Therefore, I think all we could do is wait for them to bring us the information. I think we really need to get the answer to question No. 3 as that has gone on too long now, and even question No. 12. I really think Sen. Dr. Saith that you should see how quickly we could get some of these written answers. Please check with the relevant ministries to see if we can get these answers at the earliest opportunity because they have all passed their deadlines now.

Sen. R. Montano: Madam President, may I just remind this Senate of the importance of the time for question to ministers? The importance of questions to ministers is so that the Executive can account to Parliament.

Sen. Dr. Saith: On a point of order. Madam President—

Sen. Dumas: Ridiculous!

Sen. R. Montano: What do you mean, ridiculous?

Sen. Dumas: Ridiculous.

Sen. R. Montano: What do you mean ridiculous?

Sen. Dr. Saith: On a point of order! Will you give way?

Madam President: Senators!

Sen. Dr. Saith: Madam President, I really do not need to be lectured by the hon. Senator on what my responsibilities are. Thank you.

Sen. R. Montano: Madam President, that was not a point of order.

Madam President: We are all aware of what the importance of question time is.

Sen. R. Montano: Madam President, that was not a point of order and I had not finished what I wanted to say.

Madam President: All right, we are moving on.

Sen. Dumas: We do not want to hear you.

Sen. R. Montano: You may not want to hear me.

Madam President: Sen. Montano, just one second please. I have had enough of your outbursts here for today already. I do not know why you feel you have to shout in this Senate. I do not know why and I will not allow it again.

Sen. R. Montano: Madam President, speak to the other people who were shouting too.

Madam President: Well, I did not hear anybody else shouting, Sen. Montano.

Sen. R. Montano: Madam President, I would accept your ruling once your ruling is fair and even-handed, but when you single me out when others, like Sen. Dumas, are shouting, then that is terribly unfair.

WRITTEN ANSWERS TO QUESTIONS

The following questions were asked by Sen. Wade Mark:

Applicants for Housing

- 10. (a)** Could the hon. Minister of Housing provide this Senate with a detailed list of all applicants for housing accommodation to the Ministry from January 2002 to November 2003 on a monthly basis in the following areas:
- (i) applications for land;
 - (ii) applications for rental units;
 - (iii) applications for housing;
 - (iv) applications for leases?

- (b) Could the Minister further provide this Senate with the names and addresses of all applicants during the same period?

IADB Loan Agreement

19. (a) Would the hon. Minister of Planning and Development provide this Senate with:
- (i) a copy of the Loan Agreement entered into between the Government of the Republic of Trinidad and Tobago and the Inter-American Development Bank for the sum of US \$5 million to assist the development and implementation of a strategic plan for the comprehensive transformation of the public sector; and
 - (ii) details of the loan conditionalities attached to each tranche of the loan over the life of the loan agreement?
- (b) Would the Minister inform this Senate whether there is likely to be any job loss or dislocation from such a comprehensive public sector reform programme?

Vide end of sitting for written answers.

NATIONAL LOTTERIES (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 a bill to amend the National Lotteries Act, Chap. 21:04 to alter the definition of "financial year" be now read a second time.

The National Lotteries Control Board (NLCB) was established by Act No. 22 of 1968 and is cited as the National Lotteries Act, Chap. 21:04. Section 2 of this Act establishes the financial year of the National Lotteries Control Board as the 12 months ending on December 31 of any year. At that time when this Act was established, this period coincided with Government's financial year end. However, in 1998 the Financial Year, Act No. 23 of 1998, changed the definition of financial year in the Constitution and the Interpretation Act from January 01 to December 31 to the period October 01 to September 30. Thus, the financial year of the National Lotteries Control Board and that of the Government of Trinidad and Tobago were no longer aligned.

Section 25(2) of the National Lotteries Act requires the Auditor General to audit the accounts of the National Lotteries Control Board. The change in

National Lotteries (Amdt.) Bill
[SEN. THE HON. C. ENILL]

Tuesday, March 09, 2004

Government's fiscal year has had serious implications for the efficient operation of the National Lotteries Control Board. Specifically, it has meant that the Board was required to duplicate the preparation of its accounts to accommodate Government's requirements in respect of its own September year-end as well as the Board's obligations in terms of generating financial statements for its December year-end.

On enquiries by the Auditor General's Department the board has agreed that its financial year's end should end simultaneously with that of the Central Government which is October 01 to September 30.

In February 2001 the former administration took the decision to amend section 2 of the National Lotteries Act to provide for a change in the financial year of this institution, the NLCB, from December 31 to September 30. The necessary legislation, however, to give effect to this decision was never brought to or approved by this honourable Senate. We are now taking the necessary steps to ensure that this decision is in fact carried out to ensure that the National Lotteries Control Board could achieve the enhanced level of efficiency and stop the duplication that is taking place currently.

Madam President, this is simply a decision in which, having regard to the change by the Government, insofar as its financial year is concerned, and the fact that an institution like this operates as it does, coincides with the date.

The National Lotteries Board, as an institution, can boast, I think, of being a tremendous success and a consistent income generator for the Government of Trinidad and Tobago.

As you are aware, the National Lotteries Control Board contributes to sport and culture and plays a major role in funding sporting and cultural initiatives.

Madam President, I do not think that for this particular amendment there is much more that I would say, but simply to restate that the Bill before this Senate simply seeks to amend the National Lotteries Act, Chap. 21:04, to alter the definition of the financial year to make it in line with Government's fiscal year, a requirement that the Auditor General, in her report, has indicated we should so do.

In making this amendment we expect that the Board would realize some efficiency thereby enabling the organization to further enhance its contribution to national development.

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

Question proposed.

Sen. Roy Augustus: Madam President, I rise to make my usual brief intervention in the debate that is under way this afternoon. I want to say from the outset that on this side we will have no problem whatsoever in supporting the amendment, particularly since it had its genesis from where we sit. However, it gives us the opportunity to ask a few questions, particularly in light of the opening remarks of the Minister in the Ministry of Finance which seem to indicate that the amendment would lead to more efficient operations of the National Lotteries Control Board.

In making my contribution I really want to ask a number of questions, although my experience in this Senate, I fear, worries me in that I wonder why questions are not answered as deliberately and precisely as they should be answered. In fact, while there was that problem taking place earlier on, I was feeling very happy and confident, given that it was this particular Minister in the Ministry of Finance who was going to move this Bill. I thought that the questions would have gotten answers because he is normally clear in his answers. I was a little surprised by his response to the question that was posed to him earlier. He disappointed me. I do hope, however, that some of these questions which I pose now, even if the answers are not readily available, may be given some kind of attention in the fullness of time.

It is a known fact that National Lotteries Control Board is one of the more generous contributors to the arts, culture and sports, although we are not sure as to what kind of philosophy the contributions are located within. We know that sponsorship comes in two forms: advertising and donations. We also know that the parent Act of the National Lotteries Control Board does not give the directors of the National Lotteries Control Board the authority to make donations. Be that as it may, we understand clearly that there are needs in the country and society, which must be fulfilled. While advertising is a normal part of the marketing policy of any commercial venture and we look at what is happening in advertising, we sometimes wonder how the donations aspect of the sponsorship takes place.

Madam President, what criteria are used to determine who gets how much? I think the national community deserves to know how the moneys from the Consolidated Fund are distributed because the parent Act indicates that after prize moneys, salaries and so on are paid out, the surplus must go into the Consolidated Fund. So that when the Consolidated Fund is interfered with—I use the word “interfered” advisedly, I am not casting any aspersions—I think the national community must be given some kind of broad guidelines as to the distribution of

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that portion of the funds that would be used for sponsoring art and culture. Given everything that is going on, I am not too sure whether we really only put it into the arts and the culture. It lends itself when we do not have these guidelines, to all kinds of speculation on the part of those of us who are not in the know.

Now, I want to make the point clearly that my colleagues and I have no objections to ventures that are designed to assist in the development of our people, whether it be culturally, in sport or whatever have you, to be subsidized by government, but again within given guidelines.

Remember I spoke in this Senate recently about a commercial house being given a sum of money to assist them in their commercial venture during the carnival season and I was told that that was to help people remain employed. I just hope that if a house of people of easy virtue begins to lose funds we do not see that as a reason to keep them employed and decide that we can also provide them with some of our money. The guidelines are extremely important. We have to put the guidelines there so that people would know that the guidelines are being followed and the charges of bias will not be levelled against those who have the responsibility to distribute.

Sometimes I wonder if there is any seriousness coming from that side. I have been following politics for a long time and I think Choonilal Saith would have done much better than his son in terms of contributing to a debate in this Senate. I am serious in terms of how we deal with the people's money. That is what I am serious about. [*Desk thumping*] I am saying that if in the past there were mistakes or if in the past it was not well done, that is not an excuse for us to continue the charade. That is what I am saying. [*Desk thumping*] I am saying that those who have never had to have people sponsor them or support them must sit and listen to those of us who understand the need for the correct distribution of the funds that are placed into the hands of government. I beg that you allow people on that side to understand that.

Madam President, I keep asking: On what criteria are these donations given out? Is there a certain percentage that is allocated to sports? Is there a certain percentage that is allocated to culture? Then, when we look at the culture of our country, this diversified country, the broad vistas with which we are faced, is there some instrument that measures how we deal with the distribution of the people's funds across the board? If there is, can we make it public? Can we make it public so that we would not continue to attribute charges of bias even on the point of ethnicity, and on the point of political bias, to those who are distributing?

Some people say that the board distributes money on the basis of whom they know. I understand that there is a book written by one Mr. Selwyn Cudjoe which received a donation of \$60,000. On what basis, I do not know. I am sure that the Minister will respond and I would apologize if I am wrong, but I would be happy to find out and I think the national community would be extremely happy to find out if this is the case.

It is sad, Madam President, and all of this is in the absence of the guidelines which I am appealing for. It is said that this year the National Lotteries Control Board spent a lot of money on sponsorship and advertising for a number of commercial carnival ventures. In fact it is said that promoters approached the NLCB and there was quid pro quo—I think the lawyers call it—advertise in my station and the NLCB will sponsor your venture. I wish the Minister in the Ministry of Finance could give the lie to that statement or that feeling that is running on the ground.

Madam President, I keep telling you that if there is a body of guidelines and criteria clearly established and reviewed repeatedly, these charges would not be as rampant as they are and we would not be destroying each other as we are doing because we feel some are getting more of the national pie than we are getting.

I am not saying that you should not sponsor, but what I am talking about is the equity of the sponsorship. I know my friends, I always say that I respect their ability for propaganda. They take your statement, mutilate it and put the spin on it so that when you hear it the next time you would also believe it. I am not saying do not support Carnival or cultural ventures, I am saying locate your distribution within a body of guidelines and develop criteria that we can be sure as to how our moneys are being distributed.

2.30 p.m.

There are all kinds of rumours. I was told that some time ago there was a radio station that was in some trouble—some time in 2002—and that every promoter who went to the National Lotteries Control Board for assistance got sponsorship on the basis of the letters they were able to generate to the press in support of that particular radio station.

Tell me if I am wrong and if the rumours that I am hearing are wrong. That is all I want to know because I want to be able to tell people outside that it is not true, if they can only tell me that this is not true. When they tell me it is not true, be careful I do not produce some of the letters and some of the people who have said that they have had to write letters to get the sponsorship. They must

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remember that I have been part of the business of promotion also, so I am into the culture and know the people. Be careful!

Madam President, yes we will say change the financial year. Yes, we will say that the board should operate more efficiently; but if the board must operate more efficiently, then we must be sure there is no interference either by those who have no right to interfere in the normal promotion procedures associated with a statutory authority such as the National Lottery Control Board.

There seems to be evidence that the very Prime Minister interfered with the accession of the Public Relations Officer of the National Lotteries Control Board to an acting position as Deputy Director of the National Lotteries Control Board, when the commission had absolutely no authority or right to approach anybody in terms of the normal accession which takes place. Again, if I am wrong, tell me I am wrong and I would be prepared to take it back.

I know that the former secretary of the board has been on suspension for the last how many months. Why? The feeling is that it is political—interference in the National Lotteries Control Board. All I am asking for is information. We will support them in this amendment, but we want the efficient running of the board and the efficient running of the board demands that the board be allowed to carry out its administrative functions properly in the correct accepted bureaucratic manner with no outside interference; and we demand that the board locate its distribution of the funds of the country in a particular philosophy of equal distribution across the board, whether it be education, culture, sport or even in the assistance to the police department in terms of providing them with equipment for solving crime. That is all I ask of the people on that side.

Thank you very much.

Sen. Dr. Eastlyn McKenzie: Thank you very much, Madam President. I want to say from the outset that I do not play Lotto. I do not buy lottery tickets. I do not buy Scratch. I do not play Donsai. I do not play Cash Pot. I have mentioned all these games to tell you that what I want to say today does not tie me into any interest whatsoever as a gambler. I do not gamble, but there are a few things I would like to draw to the attention of the Senate.

I have been having little pickings with the hon. Minister in the Ministry of Finance. Sometimes we argue and sometimes he just does not bother with me at all. One of the things I have had cause to talk to him about was this matter that we are dealing with today, and that is, that the financial year of the Government and the National Lotteries Control Board differ and when the hon. Minister of Finance

in the budget presentation said that the increases on the gaming tables and gambling taxes, et cetera, would take effect immediately—from October 6—I could not understand because these all come within the gambling taxes.

I will tell you something else, Madam President, these people who operate these clubs pay their licence from January to December, so when the hon. Minister of Finance spoke on the budget in October, these people had already paid their gambling taxes to the end of December 2003. I asked the hon. Minister in the Ministry of Finance how he was going to make out with these figures. They were totally wrong.

The second point I want to make is what I call “so misleading”. Here we have the first item, in the summary of the budget, on page 8, Policy Measures and Strategies, under the heading, Promoting Consumer Welfare, the first item—“Reduce the incidence of gambling”. That is what they said and the biggest promoter of gambling in the country is the Government. The increase came when they increased the taxes to these gambling tables.

Madam President, I want to tell you that I hang around places where they play lottery and see the people on the street selling their lottery tickets, Scratch and Lotto. I hang around those places all the time. I can tell you that some of the biggest gamblers—not much money they spend at a time—are the poorest people in the country, especially little ladies. They are always there with their \$2 or their \$3 wanting to play a mark. This is what the Government is supporting.

They run the National Lotteries Control Board and they are the ones who have all these games. In fact, years ago when these games started, we had only a few of them. Every three months there was another Scratch game added to it, with all sorts of gimmicks to get people to play and to lure them into gambling. This thing about reducing the incidence of gambling is a joke. It is totally misleading.

According to the clauses in the Act governing the Board, as Sen. Augustus said, the Board has to take care of the expenses that they have—their salaries, their fees, remuneration, gratuities of employees, and they have to see about the servants and the agents of the board. I want to say publicly and to ask the hon. Minister in the Ministry of Finance that they take these things into consideration. These points have come from people who gamble, people who are agents of the Board, people who are friends, et cetera. They are saying that, over the years, the board has added a number of new games. They did not have Donsai and Cash Pot when they started, and they did not have all these Scratch games. They probably have about 10 Scratch games now. There is one called Set for Life. They did not

have all these, yet the commission to the agents has remained the same. They have more work. They have to pay more staff. When one is seeing about Scratch, one is on the machine with the lottery. NIS is going up. Minimum wages went up. Facilities, utilities; all these things are going up, but the commission to the agents remains the same.

I ask the hon. Minister of Finance to treat the people well because they want the money. They are expecting to raise more revenue, but if they check the taxes collected by Government over the years, they would see that there is a reduction in the taxes. I will tell you why, Madam President.

There are new games, increased wages, NIS will increase soon and more incentives, more games, same commission. Madam President, let me tell you something that the hon. Minister probably does not know. When someone goes to deposit the National Lotteries Control Board's money on a Monday, there is a rule. There are rules. The machine says how much money the person has to deposit—you cannot get away from that; you have to be straightforward. When someone goes to the bank to deposit the money, he has to pay a commission to deposit the money and there is one bank that does this. If you win a lottery prize, another bank gives you the cheque, which you have to deposit in another bank. So, they are banking with one bank and they tell you to deposit your money in another bank. That other bank charges you a commission to deposit your money on a Monday. If you deposit it on Tuesday, they charge more commission, even if the Monday is a public holiday. On Easter Monday, you cannot deposit any money because the banks are closed. Easter Tuesday is not a public holiday, but when you go to deposit the money, you pay more commission on the same amount of money than if you had deposited the money on the Monday. I tell the hon. Minister that so that he could check these things. I am giving the hon. Minister some information that he can use probably for the next budget.

This next thing I want to tell the hon. Minister, through you, Madam President, is that they have increased, over the last two years, the taxes on these games. However, if the Government checks on its receipt of taxes—the revenues it has been collecting within the time it has raised the taxes—it will see that it has been collecting less even though at times they doubled the amount.

I will tell you why. They are looking at the persons who operate in the Private Members' Clubs and have all these games listed here—poker table, baccarat, et cetera. Who monitors them? Nobody monitors them. They have their gambling tables in certain places, but if the gambling tables and these slot machines are placed in areas where one has to have a bar licence, those are the people who pay

the taxes on the machines. If you are to get your bar licence renewed, the police and magistrate have to visit and when they come, they go around to all the rooms and obviously they will see the number of slot machines that you have and they will take note of that. Someone from the Board of Inland Revenue goes with them. So they say you have five slot machines and if you have to pay \$2,000 per year per machine, you have to get \$10,000 from this person. So they know that you have it.

However, if these machines are in places that do not require any sort of bar licence where people do not visit, nobody visits them and the Government does not collect any taxes on those. So you are penalized if you are selling lottery because you have to have a gambling licence for promoting gambling through these games. Nobody could monitor them. I will tell you something else, Madam President, I would not put any policeman who should be doing more serious work to go around looking to see if people have slot machines. They have more important work to do. The people who could go around and check these do not know the difference between a slot machine, a baccarat one, a poker one or anything. They could just shift one for the other and they would not know.

I say to the hon. Minister, through you, Madam President, that some of the measures they are implementing are counterproductive. They are going against the objective that they want to achieve. Their objective is to collect as many taxes as they possibly can, but it cannot be done the way they are doing it.

I have to stray a little and to give you a little rumour, as Sen. Augustus was saying when he was not sure it was a rumour. There was a rumour about 20 years ago that the police wanted to train people how to detect and catch pickpockets around Carnival and these busy seasons. The story is told that they hired someone from Scotland Yard to come to train our local people how to detect these pickpockets. I understand that the policemen working at the station said, "Chief, I could get three or four of 'dem' pickpockets to come and teach 'we' how to discern these pickpockets." They brought down the gentleman and the ordinary policemen signed a little pact with the chief. They said, "Chief, listen! We are going to put three of 'dem' fellas on the block to pick that same trainer's pocket, doh lock them up or nutten." The man came down and before he discovered that his wallet was missing, it was at Besson Street Police Station.

I want to tell the hon. Minister that sometimes the people who can guide you in these instances are the people who are involved in it. Do not underestimate how useful it could be to get the ideas and feelings of the people who are actually operating these machines.

I want to advise the hon. Minister again that the heavy taxes on pool tables should be eradicated—he should take off the taxes on the pool tables. Pool tables are more a form of entertainment for young men especially, than the video games they have all over the place where there are all sorts of violent crimes on the games and when they put in a token and they see all sorts of things going on. Children used to run away and go to the old airport and do all these things. Those games are more dangerous to our young people than the pool tables. The proprietors do not get anything from it. I think they get \$2 per game and they put in the token to get the balls to drop and you can spend a long time playing one game. Nobody can put you out. So, they do not gain anything. I advise that they take off the tax on pool tables or even if they have to put a tax, they put a popcorn one. They should not put any big tax on that.

The next I want to advise is that if they cannot monitor and inspect the places where there are slot machines and these gaming tables, reduce the taxes to encourage compliance. What is happening now is that people are evading the taxes. I have gone around to places where they had many of these slot machines. As I tell you, I have been always pestering the hon. Minister of Finance about them. In places where they have these slot machines, from the time the taxes raised, from January of this year, they disappeared. The agents or the owners of the machines came and took them away from the places but they only took them from some places. They carried them to places like shops and little restaurants in little back rooms.

I tell you that those slot machines make a lot of money for the owners. But the owners compensate their agents well. Apart from paying them a basic commission, if more than a certain amount of cash is realized, they give them an incentive allowance. The National Lotteries Control Board does not do that. They have a flat rate of commission so whether you do well or not, it is the same thing. If you really want to have compliance and to increase then you have to do things in a different way. Shops, restaurants and places where nobody inspects them have a lot of gambling going on.

Madam President, I am almost through, but I want to say that I support the amendment. It should have been done long before now. It is done now. I want to say to the hon. Minister to take off the taxes on pool tables, let the young people go and shoot their pool. The proprietor gets \$2. If they want to stay on as long as ever, it does not bring in any money. Leave the people let them play their pool and get rid of some of their energy and use their skill and keep their brains alert. Do not continue to increase the taxes on gambling tables, especially the little

“wapie” tables. People go there to enjoy themselves. Some of them do not even have any money to play. They just look at the others who are playing and wink their eyes. Leave the people let them play their thing because you are doing more danger and harm with the \$3 Lotto and Scratch and the people who take their children’s food and sugar money to play these games than with the big tables.

The big tables that they are charging so much for—these people can afford. Do you think that these people will go into a casino with \$2,000 in their pockets? They are not going in there if they do not have \$10,000 in their pockets to gamble. Who has \$10,000? Ordinary, poor people? It is rich people. So if you are catering for rich people and you are taking the tax from them, so be it. When it comes to the little games that the ordinary people play, do not penalize them.

When the hon. Minister of Finance could preach gambling in the church, there will be people there who will gamble. If they cannot do it legally, then they will go underground. As much as there is the National Lotteries Control Board with lawful gambling, there is as much illegal gambling going on. Nobody can stop it. Before Play Whe, there was “whe whe” and there is still “whe whe”; and there are still people who gamble underground and they do not play 24 to 1, they play 30 to 1 and they honour their payments. So, they cannot stop that.

When this Bill talks about reducing the incidence of gambling, that is a joke. I crossed it up. It is nonsense. They should aim at getting people to comply with the rules and make it easy for them to comply. Imagine you have put tables and any other device, \$10,000, and there are some simple villagers around a “wapie” table paying their little \$5 and \$10 and when they are done they eat a pack of nuts and go home, and you want to tell the owner to pay \$10,000. If he takes it out, what is going to happen? The people are going to gamble under a tree. They are going to gamble in the bush and there will be people who will try to rob them.

Madam President, from what I know about the hon. Minister of Finance probably half of what I am saying is Greek to him. He cannot even play a good rummy game. I want to tell him to do some honest investigation, chat with some people. I know that two months before we actually brought the Bill, Sen. Sadiq Baksh and I were exchanging notes because we just decided to visit some of these places to see what was going on. I myself “cannot play nutten”, but at the same time, you can know what is going on and you have the sense to glean information that could help to make the compliance rate better.

I was trying to get some figures to show how, despite the doubling of taxes we have been collecting less. In 2002, despite what they estimated, the collection was

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\$5.4 million. In 2003, when they expected that they would get about \$15 million, the estimate was \$9.1 million. I do not know what the actual figure was. Do you know what the estimate for 2004 is despite the fact that they have increased this by 200 and 300 per cent? \$40,000, \$50,000, \$75,000 per table per year. Although this has increased so many times, the estimate for this year is \$8.9 million. It tells you that despite the fact that they are increasing these things, they are collecting less. The compliance rate is dropping all the time.

I ask them to take off the tax on pool tables. I ask that the agents be given better incentives and higher commissions. I ask that the rates on these gaming tables be reduced to a level that people who operate would comply easily with the tax rather than evade them.

Thank you very much, Madam President.

Sen. Prof. Kenneth Ramchand: Let me begin by confirming that like my esteemed colleague, Sen. Dr. McKenzie, I do not gamble. I find it hard to work hard for my money and lose it at the table. However, I must confess that when the Lotto reaches \$5 million, I would say: I will give them \$20 this week. I do not even hope to win, but I just throw it there and you never know if it will float back to me. But I really find it hard to take part in gambling activities.

I remember when the last government had some legislation about lottery coming in and I saw in it an intention to sneak in casinos, I decided to visit a casino with some friends and wrote a nice short story about it, which I was going to read here; but I am not reading it this time.

I signed in to this place under the name Ramesh Panday and the fellow who was standing at the pool looked at me and laughed. He said, "Okay, I know that is not your name, but we just want a signature here". This was a Members' Club I went into. I took my membership in that name and I went in there. Everything was there—one-armed bandits and all the other things. All kinds of desperate people went to the table—girls in short skirts, free coffee, free whiskey. It was full-blooded casino gambling in the Valsayn area under the guise of a Members' Club. I think that although it probably is too late to reverse the trend, I do agree with the sentiments many people express that gambling really does something to the moral fibre of a population and that it impacts very heavily, especially on poor people.

I know that when the National Lotteries Act of 1968 was being introduced the government at the time was very anxious to give the impression that, yes, we know there are objections on moral, religious and even cultural grounds, but what

we are doing, they claimed, was being done for economic reasons. It is a source of revenue and it will redound to the national interest.

3.00 p.m.

Madam President, I would like to read a paragraph—which I could tell you comes from a newspaper, if you say that I cannot read the *Hansard* here. So, if I could read from the *Hansard*, I would read from the *Hansard* and, if not, it is from a newspaper—where the Minister of Finance, Mr. Prevatt, said that in this country, there have been objections and there have been people in favour of the lottery but, we have to establish a properly controlled and efficiently operated National Lottery, which would assist in the provision of much needed facilities in the country, which would be competently regulated, and which would not increase the wealth of any particular operator, but rather mobilize resources for development of the national welfare. So, the argument was that it was a source of revenue and the moneys were to be used for the national welfare and to provide certain facilities. That was in 1968.

In 1995, Sen. Diana Mahabir-Wyatt asked a question in the Senate about how much money has been collected by the National Lotteries Control Board since the new Play Whe and Lotto schemes began; how much was accredited to the government and how the money accredited to the government from the National Lotteries Control Board was being spent.

The minister could not say, precisely, how the money was spent because it just went into the Consolidated Fund. In Sen. Mahabir-Wyatt's supplementary question she asked if the minister could tell us if there were any plans by the Government to specifically allocate some of the moneys into the social safety net. In 1968 they told us that this money would be used to provide facilities for the national welfare and for the national interests. That is what they told us in 1968 and in 1995 the minister was saying that at this stage there was no specific plan by the government. So, in 1995, there was no specific plan by the government to direct any of this money to specific social purposes.

I want to join Sen. Augustus in requesting that the money be tagged. In 1968 during the initial debate, one or two Members asked if the Government could have a special fund so that the moneys that came in from the National Lottery would be in a special fund for certain kinds of social and cultural development, and the government refused. The government's very justification for the Act was that they wanted the money for those special purposes. So, what was the problem in creating a special fund? Madam President, if the Act is going to be revised, I

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feel that is one revision that is needed and that is there must be a special fund and we must say what it is used for.

I support Sen. Augustus's argument with respect to the distribution. Imagine Prof. Cudjoe got \$60,000 for a book. If I had known that I would have tried to get money too. It is a real lottery in truth. The Government has many different bodies distributing grants to artistes, social workers, individuals, groups and organizations, and we really need one or two councils—either a cultural council or an arts council or one of each—who would be responsible for coordinating the distribution of grants to individuals and organizations. These grants must pass through this council. If a corporate citizen wants to give money to a certain individual or to a certain group, that person should go to the council, and then the council could say that it has received applications and it proposes to grant this amount of money and what is the Government's opinion. Does it fit in with Government's policy for the development of arts and culture or the kinds of things that the Government wants to encourage? There should be policies there against which different individual proposals should be measured.

At present, with many of the funding agencies—first of all, you hardly hear about them and when you do hear about these agencies and you put in your application, a set of other agencies would give you the money. There is no coordination; there is no coherence and there is no working towards some common goal that the Government or the country has agreed to.

My wife got money from the National Lotteries Control Board for a little organization that she is a member of. I asked her how she got the money and how did they decide to give her the money, and she said that she knew someone in there. It was a worthy cause and I did not oppose it. So, there are many worthy causes. I am not opposing people getting money but, by the same token, unworthy causes could also get money. We really need some measure of control over the distribution and, in general, we need some sort of overriding policy.

Madam President, the debate in 1968 was very interesting. One member of the Senate really felt that the country could spend its money better. He said that the Government should have introduced a ministry of food, whereby the accent would be on the mass production of food. I always wonder about this matter.

I have written some articles about the poultry industry, and I still do not understand why we have to import chicken feed, laying eggs and baby chicks. I do not understand that. How could we have a poultry industry and we are so utterly dependent on other people to supply us with these items? Why are we not

producing our own feed? What this fellow said was that we claimed that we were producing various brands of stock feed, but all we did was crush the grains that we import. We do not really produce stock feed here, all the grains were imported, and with a ministry of food, the accent would have been on producing food and we would have been producing the grains which produce the stock feed in our country.

Madam President, another member said that the Government had given a grant of \$400,000 to Glamour Girl; \$500,000 to Coconut Growers Association and \$200,000 to Matouk and look at the amount of money that the Government was sharing out or granting out or lending out, and why the Government did not buy shares in these companies for the workers in those companies, if they wanted to encourage or stimulate the economy. He said that if the Government wanted to have a contented work force, instead of lending the money to these fellows, the Government should have bought shares in those companies for the workers. There were some very interesting economic arguments coming up against the economic argument that Lotto or lottery was a source of revenue.

Madam President, to recapitulate a little, I have one more point to make and that is I do have misgivings about the encouragement of gambling. I suspect it is too late. The arguments against the lottery and in favour of the lottery sought to gloss the objections and sought to mollify people by saying, yes, it is gambling but it is controlled by the State and, in any case, the money the Government gets would be used to build churches, schools, roads and so forth. So when someone buys a ticket every week, what you will be doing is contributing—even if you, yourself, do not win, you are winning because you are making a contribution to the development of facilities in the country. In such a case, I would dutifully buy a lottery ticket every week, if I was told that the full surplus from the lottery was being put into a special fund to do X, Y and Z.

If the Government says that for the next two months the money it gets would be used to complete the design and build the Icos Government Primary School, I might buy 10 tickets that week or those weeks, because I know that there is a cause which has been neglected; which has been lied about; children are suffering, and quite brutally and callously people would tell you to your face that yes, they are going to build the school and they are not building the school. For a cause like that I would buy tickets. There are people in this country that would be willing to buy tickets every week if they knew that the money was being used for these purposes.

Madam President, with respect to the distribution of the funds by the National Lotteries Control Board, I know that the National Lotteries Control Board is a

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generous contributor but, as Sen. Augustus said, the board really needs to be better controlled. We must know who is getting the money; how much money they are getting; why they are getting the money and how it fits into the general policy I would add to this my previous suggestion about the need for some sort of policy and an organization that would monitor all these grants.

I have one more point to make—and maybe the Minister could explain it—and this has to do with the statement of accounts of the National Lotteries Control Board. The statements of accounts of the National Lotteries Control Board are available only up to 1999. I have not seen any accounts for the years 2000, 2001, 2002 and 2003.

Madam President, I just want to look at Online Games such as Lotto, Play Whe, et cetera. In 1994, the income from these games was \$350 million, the expenses were \$275 million and the surplus that went into the Consolidated Fund was \$75 million. In the Consolidated Fund the Trinidad and Tobago Government got \$75 million, but when one looks at the expenses, a firm called GTECH got \$37 million.

In 1999, the income was \$871 million and the expenses were \$719 million. The amount of money that went into the Consolidated Fund was \$153 million. The Trinidad and Tobago Government got \$153 million and GTECH got \$92 million. What is GTECH doing to get all this money? What services are they providing? What equipment are they supplying that the Government would continue to pay them these moneys? Why do we not faze them out? Why do we not train people to do what they are doing? I would like to know, Mr. Minister. This money is not staying in Trinidad and Tobago; this is our money from poor people that is being siphoned away and going overseas. So, I really wish the Minister would explain this matter and I sincerely hope that the Government would think that it is a problem and it would try to do something about it.

Madam President, with that, I thank you. [*Desk thumping*]

Sen. Dana Seetahal: Madam President, seeing that we are talking about an amendment to vary the financial year, it seems to me that this is room for talking about the financial provisions of the National Lotteries Act. Why I say that is that previous contributors have focused on the sponsorship element or the donation element from the funds that accrue from National Lotteries in its various forms to various individuals.

In accordance with section 21 of the National Lotteries Act, the revenue of the board, which would be the board that receives all the revenue from National

Lotteries, including instant lotteries, should be applied in defraying four types of expenses, that are the payment of prize money; remuneration, fees and allowances of members or any committees of the board; the salaries fees, remuneration and gratuities of employees, servants and agents of the board; and the working operations.

The Act provides that if there is a balance after the payment of these expenses that balance should go to the Consolidated Fund. That is at section 23 of the Act. So, therefore, up until 1988, all of the profits, as it were, from the National Lotteries Control Board would go to the Consolidated Fund.

However, in 1998, there was the creation of the Instant Lottery. The Instant Lottery is defined as a National Lottery wherein on purchase of a ticket one is able to determine at the time of the ticket purchased, whether or not a person is a winner by rubbing a coin on a section of a ticket (which would reveal six numbered panels) and verifying that three out of the six panels bear the same number. That is Instant Lottery.

Madam President, that same 1998 Act amended the original 1968 Act. It provided that notwithstanding the original Act, the Instant Lottery surplus should be paid to the Sport and Culture Fund established by section 3 of the Sport and Culture Fund Act, 1988. It seems to me that if we want to see how this surplus is defrayed, we must look at the Sport and Culture Fund Act and see where in it there is provision for donation, sponsorship and the like. The problem here, however, is that the Instant Lottery surplus is defined as the amount realized after defraying all expenses and payment of prize money from the proceeds received from each Instant Lottery.

If we are to determine whether the National Lotteries Control Board is carrying out its business properly, we ought to know at least, annually, what is the amount of money that comes in from Instant Lottery surplus such as the Scratch game; and what is the amount of money that comes in from the Instant Lottery; what are the expenses and what is the surplus. If, at any time, the money that the Sport and Culture Fund gives out exceeds the surplus from the Instant Lottery—the Scratch game profits—then there is a problem. It would mean that there would have been a breach of the National Lotteries Act and the National Lotteries (Amdt.) Act and that is what we need to know.

Madam President, it would seem that there is some kind of confusion because there has not been full disclosure of the operations of the Instant Lottery, in terms of the amounts that are realized from the sales, profits and so forth, because if that

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were properly declared, then people would have seen, for instance, at the end of 2001, \$5,000 was given to Dana Seetahal for publication of a book. (Actually, I did get \$5,000 in 2001.) So, I am just saying that these are things that we need to have documented so that we will know how much money someone is getting, and if someone else gets \$60,000, then one would want to ask what is the rationale for the difference. It may be that one person asked for \$5,000 or it may be that there is some kind of policy.

I am given to understand that there is a policy that no one individual gets more than \$25,000. The public does not know, my colleagues apparently do not know and I do not know. What we do know is that there was this National Lottery that people sold at the corner by Hi-Lo, and then we had the Scratch game in 1988. With the introduction of the Scratch game, there are provisions now for persons to get money from the Scratch surplus, as it were, for sport and culture, and under sport and culture there are things like educational purposes, which is not a bad idea. This is actually a good idea, but it is how the money is being administered that is causing concern among my colleagues. That is the problem. We must have full disclosure—other persons may call it transparency—and that is where things have fallen down. I just wanted to point out that there is provision in the legislation for this, but we need to know how it is being administered.

My second point—and here I might differ from my colleagues—is in respect of casino. Frankly, I have been known to go to a casino or two, and I have actually had a good time, and if persons are to say for my colleagues that people do not walk in there with less than \$10,000, I would beg to differ. Persons could go in a casino with \$100 and have a good time playing the one-armed bandit game or the instant Poker. The point I want to make is that we know that there are casinos—whether they are casinos of count, is another matter.

In my respectful opinion, when one talks about casinos in the Bahamas like Atlantis and those really large magnificent casinos like the Native American casinos, those are casinos to talk about, but when we talk about these little casinos—okay, we have them and let us admit that we have them, then let us regularize them. We are talking about regularizing squatting; why should casinos not be regularized? Do not let us have to go to Grand Bazaar and write our name and then we become an instant member—just like the instant lottery—and then go in there and get the free coffee and so forth and then spend the \$100 or more if it is a person who is a regular gambler, \$1,000 or whatever.

I, personally, see no reason to deprive individuals from having a little fun in their lives. So, if persons want to spend \$3 and buy Lotto and take a chance,

because people do win—I mean \$3, \$1 or \$10 that is a choice. In the same way, some people prefer to spend their money on alcohol, and some people prefer to spend their money on cigarettes—all of these things are legal. The point is, I do not think the State should control morality. I think there must be a line and the State has taken the position that they are making it available to others to have Instant Lotto and so forth. I think I tried a thing with this Lotto once and I won \$24 and that was it. But the casinos are seen as illegal, so let us regularize them and tax them, because presently the Government is losing from these casinos.

Just like prostitution, if I want to use another example—let me not be quoted as saying that I am advocating regularizing prostitution—if it is that there is a service and moneys are being earned and the State does not benefit from it, and the State cannot stop it, it would seem to me—I speak specifically now of the case of casinos—that they should be regularized and taxed. Of course, this does not apply to PH drivers, because they could regularize themselves and become taxis.

The question of moral fibre of the population and so forth, to which a couple of my colleagues alluded for consumption is one's personal business. I do not know that \$3 or \$10 could affect one's moral fibre. If one purchases, a bottle of Johnny Walker Black Whisky or a bottle of a cheaper whisky, or purchases cigarettes or rum or “babash”, with all of these things, your moral fibre is at risk. So that is my point. These casinos should be regularized and how much we get from the Instant Lottery games should be disclosed—what is the surplus and how it is being administered. How do you determine that I should get \$5,000—which I have no complaint with—another person no money, and other persons more money?

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

Sen. Brother Noble Khan: Madam President, thank you for allowing me these few moments. I think when our Minister in the Ministry of Finance presented this Bill he spoke about the efficiency, which he hopes to achieve by the change of a date. It also occupied my mind when the Minister said that this is just one state agency. I am sure that there are others that have similar dates or likely dates that did not coincide with the date of the national accounting year, as far as our budget is concerned, and this is where some modicum of efficiency will be derived. This is one of the few games, if any, that make a profit, so to speak.

Now, the area in which the games operate is one that we have heard from our previous colleagues, which dealt with a part of ourselves and, at least, leave much to be desired, as some would say. Our economic structure rests upon a system,

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which has been generated over the last 300 or 400 years. I do recall Adam Smith and others, who formed the basis for our economic system, making mention about the whole concept of utility and the question of values coming in when choices are being made. To a great extent, the whole concept of choices, as far as moral and spiritual values are concerned, was completely left out in this structure that governs our whole pattern, and I speak here of the world's economic system. So, when one makes a choice of where supply is governed by a demand, the question of morals, spirituality and ethics have very little to play. As you have heard from some of our colleagues, that could be highly personal.

To some extent, when one thinks in terms of building a society, one would think in terms of a society that when one leaves it, it would be in such a state that others would feel proud of what they have inherited. So, obviously, the decisions that we make in this Senate and the other place have far-reaching effects, as far as our whole economic system is concerned.

As we have heard, when this National Lottery was proposed and when it received the national approval, so to speak, it was a question here of recognizing a need and meeting that need, and so the Play Whe and a host of other games were born.

Madam President: Someone has a cellphone on. Please ensure that your cellphones are switched off. Senator, please continue.

Sen. Bro. N. Khan: I do remember that when the National Lottery came about there was another lottery, which was referred to as the Sweepstake, and it met its demise. That was under the umbrella of horse racing turf clubs. Also, at that time—according to what I was told by someone who was closely associated with the turf club—there was supposed to be some linkages of flows coming towards the turf club or the racing authorities that would definitely ensure the continuation of the racing system.

Now, racing continues to operate and we know that it is an area where betting takes place. Let me say at the outset here that I am not supportive of that aspect of racing. If one wants to get a good view of some aspects of racing, I would recommend that when one goes to the next race track meeting, do not look at the horses, but look at the people who are watching the horses. I think we would get a shock there if we concentrate on what we are about, when we see people's reaction.

3.30 p.m.

Recently in the newspapers I read about the game, cock fighting, and you would get a good insight if you were to visit some of these “galleles” which are

illegal, but I visited some many years ago. It was an exercise in human behaviour under certain circumstances to see two cocks fighting and the reaction of people, and there is big gambling that takes place there too.

To some extent, the national lotteries have received some stamp of approval as far as gaming is concerned, and who plays and benefits are questions as far as the economic aspects are concerned. We have heard that part of the national lotteries, and even what is before us, is to bring an element of efficiency in the operations, and we have also heard of where the inflows are to be spent and a surplus would be derived.

When we think in terms of the people who are investing, what do they get for it? We are preying on a part of human nature—something for nothing one may say—and building a society of hope on something that does not exist. If you were to look at some of the Play Whe machines where the national lotteries have their outlets, you cannot escape that many of the people who are there are those from the lower income. Who benefits and who pays for it? We have heard that the GTECH people who are involved in allowing the service to run, and the quantum as mentioned by one of our colleagues is about \$90 million as against \$135 million and that money goes out, so that is an indication.

The spin-offs of some of these investments have a back pressure in the social area which the economy would have to bear in the area of the hospitals because when the back pressure comes it is very complicated and falls back into other areas of drugs and alcohol, and that again has a back pressure into the hospitals and social niches in the work environment and so forth and could become very complicated. I think we are people of the world and would understand that what I am saying is that the net effect of activities in this area is very fallacious if we think that there is a profit to be derived even if we think in terms of dollars and cents.

I would not stress too much on that point but even in the areas of what has taken place within recent times, and I think quite a few of them still exist—what have been referred to as the recreational clubs—and I am sure some of us here would remember names like Doonee Club, Bunkan's Club, Mansingh's Club, Pappits Club in the Port of Spain area, and Batalal Club in the Curepe area. These are names of the people who run them and the so-called owners, and some of the "casas" so to speak, are the people who govern the games. Of course, the system has changed because we are in a dynamic situation and very often we see new games and technology come into play like casinos and so forth.

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If you will allow me, Madam President, I would relate a conversation I had with a lady who does very great service in the social area of our families in the country. She said when she comes to town she would use a car park on Frederick Street for which she would pay a small fee and she was told she cannot park there. When she asked why, she was told that the casino took it over. So this is how even on Frederick Street—which is one of our big areas and I understand there are others—there is pressure, it is a high-demand area.

At one time there were lottery stalls and snackettes, but the latest are casinos being opened and they are very sophisticated, so when we think in terms of what is before us, the competition between national lotteries and the efficiency which we hope to achieve if we were to pass this is held in high question. The social back pressure that emanates from activities such as these is highly negative, so the hoax being perpetrated that it will be an efficient system as far as economic distribution is concerned is totally without foundation.

Of course I have mentioned, as far as the economic system is concerned, the very foundation of this economy has some major points which do not hold well against a value system which our Constitution provides for and from which we have deviated when we think in terms of institutions like these which we seek to make efficient.

I do not propose to vote on this, but what I would like to see is a better outlook taken of the real role, possibly within the university and other institutions to see the real input being made by the national lotteries because this is before us and it is legitimate in all areas or aspects.

On the question of the turf as I have mentioned, we know that the “whe whe” is still around, you may hear about “broko on de turf” and this still obtains but these are the illegal aspects of it. What is the police doing about this? Though we may be treating with this as a specific, they are all interlinked and intertwined with human behaviour and can be very negative insofar as the use of illegal substance, and it does lead to that because we have heard about Alcoholics Anonymous (AA). I do not know what is the name now, but there is now the Gambling Anonymous that has made its entrance and is a big input in our society. These are some of the inputs so when the opportunity comes dealing with matters such as these, it gives us a moment for reflection on our society and while we may be pursuing a path that we hope may be adding value to our society, we may be pursuing something that does the reverse.

Thank you, Madam President, for allowing me this opportunity.

Sen. Parvatee Anmolsingh-Mahabir: Madam President, I rise to make a short intervention on this Bill before us. While I support the views expressed by the previous speakers with regard to sponsorship and donation, there is one area of concern which was brought to my attention by a number of persons, the public in particular, and this is with regard to the drawing of the Lotto Plus and Cash Pot on Wednesdays and Saturdays.

Some Members have voiced their concerns that there is no public presence during the draw on those days and it was felt that the lack of public presence undermines the credibility of the draw. They have voiced their concern because they do not know if it is pre-recorded and there was an instance where there was some problem with that and they felt that the public presence would make a difference.

There is need to upgrade the standards of transparency, accountability, and corporate responsibility of the National Lotteries Control Board (NLCB) to remove those doubts from the minds of citizens.

There are also some doubts in the mind of the public with regard to the criteria used for the award of the Video Lottery Terminal (VLT). Perhaps the Minister could clarify this so people would be aware of the criteria used for these terminals.

Thank you, Madam President.

Sen. Wade Mark: Madam President, I am very happy to make a contribution on this Bill before us this afternoon which addresses the issue of an amendment to the National Lotteries Act to alter the definition of the financial year so that it would have the same meaning assigned to it under the Constitution of the Republic of Trinidad and Tobago and the Interpretation Act.

As my colleague, Sen. Augustus, said earlier, we on this side would not have any major objection to this particular amendment. It is consistent with the changes that have been brought some years ago to the Constitution and reflected in our annual budget presentations since then, but there are some areas I would like to bring to your attention and that of the Senate, and we hope that the hon. Minister of Finance would be able to provide us with some clarification.

Madam President, one of the areas that is of concern to the population of this country—and I think the time has come—is for the National Lotteries Control Board to exercise a greater degree of transparency and openness in the manner in which it conducts its affairs. As far as I am aware, a system of transparency does

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not exist as it relates to the allocation and distribution of local agents for both the lottery and Play Whe. Maybe it is within the NLCB's boardroom, but in terms of the public, that particular mechanism, or guidelines as the case may be, are not in the public domain, and we feel that there is need for a greater degree of transparency and openness insofar as this process is concerned.

Madam President, if one applies for a machine and is not granted approval by the National Lotteries Control Board, is there a mechanism if one is aggrieved? Is there some sort of appeal mechanism within the National Lotteries Control Board if a citizen feels aggrieved? I have known of instances where persons have applied to the National Lotteries Control Board to obtain a Lotto machine and time would pass and there would be no responses from them and I feel that it is necessary for some degree of transparency, accountability, and some kind of mechanism to ensure that persons in this country who apply for Lotto machines could be given a greater degree of fairness and equity.

So I would like the hon. Minister to indicate whether he is satisfied as the Minister responsible for piloting this Bill that sufficient mechanisms exist within the framework of the National Lotteries Control Board that would permit a greater degree of transparency, accountability, and at the same time, a mechanism for persons who are aggrieved whenever they feel they are not treated fairly by the National Lotteries Control Board, so that justice could at least be done.

Madam President, we also find it a bit inconsistent with Government's policy when on one hand we are told in the summary of the 2004 budget that one of the objectives of the Government is to promote consumer welfare by reducing the incidence of gambling in this country, and this was reflected by the Government imposing a 200 per cent increase in taxes on private members' clubs in 2003 and it went up by about 400—500 per cent in the last budget.

The Government is saying, on one hand, that it is not in favour of promoting gambling in this country, it would like to reduce that, but on the other hand, it is supporting the introduction of a new type of gaming system. We would like the hon. Minister to tell us why the Government is engaging in this kind of hypocrisy. Why is it saying it wants to reduce the incidence of gambling in October 2003, and in the *Trinidad Guardian* of Friday, August 01 there is a headline that reads "More gambling from January"?

Madam President, I want to read this very important statement which was published in the *Trinidad Guardian* dated Friday, August 01, 2003. It says:

“A new type of gaming is to be introduced by the National Lotteries Control Board (NLCB) and the Betting Levy Board (BLB) next January.

Approximately five hundred Video Lottery Terminals (VLTs) are to be shared between two facilities in Gulf City and Movie Towne said Louis Lee Sing, NLCB chairman.”

The big honcho in NLCB, Madam President. The article goes on.

“VLTs provide different games, including traditional casino games, on an animated video screen and are played using tokens.

Lee Sing, who was speaking from his private office, said he couldn’t remember the total cost of the project and preferred not to give a ballpark figure.”

However, in the same article GTECH said that this new form of gaming is expected to generate some US \$70 million over a five-year period.

So here it is the Chairman of NLCB is saying this new gaming system is to be introduced and coming from PRNewswire, GTECH is saying through that wire, that particular agency, that:

“...it expects to generate revenues of US \$70 million over the five-year contract for the project. Lee Sing said 37 per cent of the revenue will go to the NLCB, 26 per cent to BLB and the rest (43 per cent) to Gtech.

According to the report Gtech announced on Tuesday that it had signed a contract with the NLCB and the BLB ‘to provide a complete video lottery solution, including a central system, video lottery terminals, and communications network, in T&T’”.

The contract was signed between the National Lotteries Control Board and GTECH sometime in August.

Madam President, in the month of October of the same year, we have the hon. Minister of Finance telling the country that it is the policy of the Government to reduce the incidence of gambling in Trinidad and Tobago. How does one reconcile these two statements? And here is the chairman of the National Lotteries Control Board in an article in the *Trinidad Guardian* on Friday, August 01, 2003 indicating to the nation that GTECH has signed a US \$70 million contract over a five-year period.

We would like the hon. Minister of Finance to tell us whether this contract was signed or whether the head is the head, or the neck is directing the head. The

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Prime Minister is the head, the Cabinet is the head, Louis Lee Sing seems to be the neck and he seems to be directing the head. Madam President, we want to have clarification from the Minister of Finance whether this was a misleading statement and if it was, why did the Chairman of the National Lotteries Control Board not deny it? It went on record and I am bringing it before this honourable Senate today.

Madam President, I want to ask questions, I do not want to impute or cast aspersions on the reputation of anyone. I just ask questions and I hope my friend, the Minister in the Ministry of Finance, would be able to provide us with some clarification.

We want to know if the radio station, 95.5 FM, has a disproportionate number of advertisements insofar as advertisements coming out of the National Lotteries Control Board. We want to know if there is a conflict of interest between the chairman of that board and the distribution of advertisement throughout the radio network in this country. I would like to know because I find that there are more advertisements coming from 95.5 FM radio—[*Interruption*] Yes I do listen to 95.5 FM, it is a very important station. It is a PNM station and I need to know what is taking place in the country and if I need to know, I must listen to 95.5. I need to know what the enemy is saying. [*Laughter*] Madam President, we just want to know why.

I know Mr. Tony Lee very well, he is not a very good friend of mine, but I know him, we are not friends in that way. But I notice that the 95.5 FM station seems to have a monopoly on television. I find that whenever there is the drawing of Lotto, or Play Whe, there is only one person doing it now. The last time I saw it, it was like that. Again, I do not know if that has to do with a conflict of interest between the head of the station who is the Chairman of the National Lotteries Control Board. He is the Chairman, and these people who are on television like my colleague, Mr. Tony Lee—and again, I do not know if it is as a result of that association that they have that extra push. If that is so, it is wrong.

We want to know if there was a tender for that job because it seems that there is a monopoly on its control right now. I say so not to cast any aspersions on the reputation of Mr. Tony Lee, all I am saying is that I find it rather strange that such things take place and I would like to know if the National Lotteries Control Board is being utilized by the Chairman of 95.5 FM radio station, who is the Chairman of the National Lotteries Control Board to give his radio station an undue advantage over other radio stations using taxpayers' money. [*Desk thumping*]

That is what we want to find out and I hope the hon. Minister would provide us with some clarity. I cast no aspersions; I impute no improper motives; I seek answers and clarification on the matter.

Madam President, whilst all this is taking place, do you remember the Government imposing a heavy tax on the gaming clubs in this country because the Prime Minister said that he wants to reduce the incidence of gambling in the country? I am looking at an article in the *Trinidad Guardian* dated Friday, November 07 which says: “Casino workers protest over new gambling taxes” and it reads as follows:

“Chanting workers from private members clubs once again staged a demonstration outside Whitehall yesterday to protest Government measures to tax the casino industry.

Singing to the tune of ‘Rum till I die’—”

Hear the refrain.

“the protestors sang ‘Tax till we die, Tax till we die, Manning you doh love we and that’s the reason why.’”

That is a good refrain. Rum till we die, and PNM taxing you till you die too.

Here we have the workers asking the Prime Minister and the Government why they are taxing these private members clubs to the point where they want to put them out of business, but at the same time the Chairman of the National Lotteries Control Board—we are told in an article—signed a contract with GTECH for US \$70 million to introduce 500 video terminals in this country. That was in August and the Government is taxing the private members clubs in the month of October. Why?

Do you know what is amazing, and I laughed over it? In another article in the *Trinidad Express* which reads, “Gaming club workers hit the road in protest”. In one section of the article it says that a chap called Phillip who apparently was a leader of this protest said:

“that Prime Minister Patrick Manning spoke with them, saying that if they did indeed lose their jobs, Government would provide alternative employment.”

That was quoted in the story.

“However, Phillip argued that the ‘alternative employment’ referred to was URP and CEPEP.”

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Those were the jobs that the Prime Minister said he would provide for these workers. And I understand in the gaming industry there are close to 2,000—2,005 workers, the bulk of them are single-parent headed households between the ages of 18 and 26 years. This is based on some research and some information that came to our attention from the newspapers some time ago.

Here we have the hon. Prime Minister who is a very holy person I understand, he goes to different churches every day and we have a situation where the Government is taxing private members' clubs and seeking to reduce their presence in the country, and at the same time the Chairman of the National Lotteries Control Board—*[Interruption]* Yes I have to repeat it because it is in the newspapers and nobody, including you Dr. Saith, has ever denied it.

4.00 p.m.

If that were not true, I would have expected the Government to deny this story. So that is why I have to bring it to the attention of the honourable Senate so that we would be able to have clarity on the matter. And I think Dr. Saith would want me to do that. So, Madam President, we want to get some clarification on this matter.

As I said, gambling is a private affair and who wants to gamble that is their business. I have nothing to do with that. What I am concerned about is that we must not build a society of dreamers. Everybody is dreaming to become a multi-millionaire. Everybody is dreaming to win the Lotto. Madam President, you know it is one out of a million. You cannot win it! It is hard! The Government is raking in millions of dollars everyday at the expense of the poor in this land and then it says on the other hand, it does not support gambling in this country. It is either you support it or you do not support it. Do not tell the country that you are not supporting gambling, that you are taxing private members' clubs, yet you are running the biggest gambling club in the country. Be serious, man!

When the UNC was there we were not hypocritical. We had a policy position. We never dilly-dallied on the matter. The hon. Prime Minister, Basdeo Panday, did not come out and say he is opposed to gambling. No! But we have this Prime Minister who goes to church every Sunday and prays; everyday he says that he is opposed to gambling but, at the same time, Madam President, he is opening up the country to gambling. That is hypocrisy! That is the danger of the PNM, they say one thing and practise another. That is their pattern of behaviour.

There is another area that is of concern to me, and I want the hon. Minister of Finance to take serious note of it. The National Lotteries Control Board (NLCB) is

supposed to be audited by the Auditor General of this country. We did a research today to see when last we had an audited financial statement tabled in this Parliament. We wanted to see what was happening with the people's moneys at the National Lotteries Control Board. Do you know that the last time an audited financial statement was tabled in this Parliament was in 2000, which was the statement for 1999? We have not had any financial statements for 2000, 2001, 2002, 2003, Madam President, for four years! We are debating a Bill to amend the financial year for this particular body and we do not have a financial account before this Parliament.

I cannot say whether the Auditor General has those reports but they have not yet been tabled in the Parliament. I do not know what is the reason. But we want to go through, in a clinical way, to understand how our moneys are being spent and what kind of misappropriations, if any, is taking place! Who owes money to the National Lotteries Control Board? We do not know! We want to know who are the people with Lotto machines. As the Parliament, we believe we are entitled to know that! Who own these machines? We understand that machines have been recalled from many people who had them when the UNC was in power. I have no evidence of it; so I have been told. But if we had some kind of accountability before this Parliament we would have been able to see the inconsistencies or consistencies, but we do not know. This is why I would like to appeal to the hon. Minister of Finance.

I know the Auditor General's Department is independent, but we feel it is a duty and if there is need for more resources—I think right now as we speak, the Auditor General has the authority to outsource in the event that the department is short staffed. *[Interruption]* Whether the PNM introduced it is irrelevant. The reality is, as we speak today, we do not have before this Parliament audited financial statements of the National Lotteries Control Board. We want to know why that is so. I think the hon. Minister should, in fact, get some information for us on this particular issue.

As I said, we have no difficulty with this particular issue of the change in the financial year. We would need some clarification on some issues that we have raised. We know the gentleman who is in charge of the National Lotteries Control Board is a big honcho in the PNM. We know he has been the campaign manager for many candidates in the PNM. We know that is the same chap who violated all FAA regulations when he sat on a toilet bowl in a BWIA plane from Jamaica to Trinidad. Do you remember that? It made headlines in this country, you know! A lawbreaker!

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So, Madam President, all we ask is that even if you put a party stooge, a tool, or an agent; that agent must operate in a fair-handed manner. And he must never use his position to promote his private interest. That is corruption! [*Desk thumping*] I think the time has come for us to call for a thorough investigation into the operations of the National Lotteries Control Board under Louis Lee Sing. We want to know what is taking place there. I support my colleague. We are not opposed to anybody gaining some access as it relates to funding for art, culture, sport and so on; what we have a problem with is the *quid pro quo* principle.

I have been informed that if you go to the National Lotteries Control Board, particularly at carnival time, and you are sponsored to the tune of \$500,000, at least half of it, \$250,000, must go through that station for advertisement purposes. If that is so, Madam President, it is wrong! And we call on the Minister of Finance to conduct an investigation into the operations of the National Lotteries Control Board! We want to find answers because we are getting these rumours! It is not good! It is not fair! It is circulating like wildfire in the country. We need to get clarity! We accuse no one of any wrongdoing at the moment but, at least, we require an investigation to determine whether there is any wrongdoing at the National Lotteries Control Board.

Madam President, it is wrong! It is the taxpayers' money there! Taxpayers' money is not the private property of any individual, whether they are members of the UNC or the PNM. It is a question of trust. When you are put in power and you are placed in a responsible position, you must use the people's money in a prudent way! You must not use the money in a kind of wild way! Madam President, we cannot allow that! We want the hon. Minister of Finance to tell us if there is an incestuous relationship between the National Lotteries Control Board and 95.5 FM. [*Desk thumping*] We want to know! They already won a lottery, a licence, I think, in a lottery, yes. [*Interruption*] We are not there, Madam President. We want the hon. Minister to clear these issues because they are in the public domain and people would like to know what that relationship is about.

Madam President, on this matter of the change of the financial year to align the whole arrangement that was approved some years ago, we on this side have no problem with it. We just call for some clarification on a number of issues that I have raised.

Thank you, Madam President.

The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):
Madam President, let me thank all those who have spoken in support of the

National Lotteries Act, Chap. 21:04, to alter the definition of the financial year. I must confess that I heard absolutely nothing to suggest to me that there is any issue with this. I did, however, hear a number of concerns about policy issues, transparency processes, human resource issues, compliance issues, and the issue of the Government's position on gambling and some of the statements which have been made. Let me try to deal with what I can but there are some I cannot deal with simply because I just do not have the information.

Sen. Augustus made some comments about the law, about the internal guidelines, about the criteria for donations and he asked the question: "Can we make it public?" I believe we can make it public because I think it exists. I do not have it with me but I am aware that with our interaction with the NLCB, certainly at the Ministry of Finance, when matters have come before us we have asked the question: Where is the policy that guides these particular activities? We have, in fact, mandated that a policy be put in place that would direct this particular activity. The question of the policy being public is clearly another issue, but there is a policy. Based on the contributions that I have heard, I think we would need to look at the policy again to ensure that some of the issues raised are covered by the policy.

He raised some human resource issues for which, quite frankly, I do not have any answers. What I do know is that it is an institution that falls under the ambit of the Public Service Commission rules and regulations. If it is that some government officers have taken a particular decision based on information, I think the only way that would be allowed is if it were within the rules. From where I sit, I do not think there has been any violation of the rules under which we operate. Therefore, in those circumstances, I have no information that what has been raised is, in fact, correct. I simply have no information on that.

Sen. Dr. McKenzie raised a number of issues. We have been talking a lot about this particular issue. On the one hand, there is the question of gambling, and, on the other hand, there is the question of a state institution that has been allowed to occupy a particular space, and to do a particular set of things. Some time ago that institution came to the conclusion that on the basis of the work it was doing, it wanted to offer a different product to the people it served.

Sen. Mark raised the question of VLTs. The fact of the matter is that the VLT agreement has been signed, subject to the approval of the Minister of Finance and that approval has not been given. Therefore, what the Government said it was going to do and what it is doing, insofar as that particular matter and other matters

are concerned—some of which were raised this afternoon—is that it has taken the decision to put in place, and it has done this in answer to a question in the other place on this particular matter, that it will put together a team which would look at other aspects of the gaming industry, including the question of whether or not, as we move forward in Trinidad and Tobago, the activities in which we are engaged are consistent with what is our policy position. Our policy position is that the gambling industry, as we have seen it does, in fact, has some negatives that we are aware of that are impacting in a particular kind of way. All we are seeking to do is to ensure that the negatives are not allowed to grow and continue in a particular way. This committee has not yet reported on what part of the mandate would be to look at all these aspects, including this whole question of VLTs.

Sen. Mark: Madam President, through you, I want to ask the hon. Minister whether the new gaming system that was signed, subject to the Minister of Finance approval, was subject to public tendering. Secondly, are you aware that within Trinidad and Tobago there are persons in the informatics industry with appropriate software that could provide that kind of service to the National Lotteries Control Board?

Sen. The Hon. C. Enill: Very good question, Madam President. I would simply say on that matter the way this arrangement was arrived at was that the last administration signed an agreement and within that agreement there was a provision that said if you were going in this particular way you had to go with GTECH. So it was arrived at not in the context of anything else except what was agreed to in the contract, which was signed prior to us coming into office.

With respect to the relationship between the NLCB and GTECH, GTECH, as you know, is a worldwide organization that deals with this particular business. In fact, the technology that operates the systems is what they specialize in. However, all the staff is local and whatever profits they make on the basis of an arrangement with the NLCB, they pay VAT, PAYE and corporation tax, and they pay Withholding Tax of 10 per cent. The contract with them, as I alluded to, was renewed by the last administration. All that has occurred since we came into Government, insofar as the NLCB was concerned, was to try to understand how we could make that organization more effective, how we could ensure that the mandate for which this institution was set up was achieved, and how we could do that in a manner in which we could respond in a particular way. Unfortunately, it appears that notwithstanding whatever efforts are being made, there still seems to be questions about the operations, and I guess that is something we will have to deal with as we move forward.

This particular institution has been the subject of much discussion. I have heard a lot of clarifications being sought on organizations that are associated with 95.5 FM: Is there a disproportionate amount of advertising; those kinds of issues. From where I sit, Madam President, the institution is run in a particular way; it has a set of policies and it is governed by the requirements of the corporate governance structure we have.

Nowhere within that system have I seen anything to suggest that anything has occurred. In fact, even insofar as the Auditor General is concerned, I know that efforts are being made to deal with the audited accounts situation because there are problems with staff and we are working on that. I will look at it, out of an abundance of caution, to make sure these statements that have been made have absolutely no basis. And let me tell you that if there is any evidence to suggest that something has occurred, we will take the necessary action. We have said that.

Madam President, I give this Senate the undertaking that insofar as the issues of policy are concerned, most would be dealt with at the level of the committee that has been set up to look at this particular industry and to answer questions as they relate to the introduction of VLTs, as well as the issues raised by Sen. Dr. McKenzie, as to whether the results that we were looking for have been achieved. I think we have sufficient information to say that the mechanisms that are required to make this effective, in this form, may not be working.

Insofar as the question raised by Sen. Seetahal for full disclosure on the Instant Lottery surplus and those kinds of issues, I will look at that but at this point in time I do not have that information with me.

I am concerned that Sen. Augustus was disappointed by the response I gave but, as I said, that was the information available to me. In future, Sir, I will try to live up to your expectations.

Sen. Prof. Ramchand: Madam President, through you, I wonder if the Minister could give us his reflections on the suggestion that the surplus should go, not to the Consolidated Fund but to a special fund with purposes designated.

Sen. The Hon. C. Enill: As far as I am aware there is a provision where all the funds from the Instant Scratch lottery go to the Sport and Culture Fund, so that is very specific. I am also aware that there is a proposal for the NLCB that the proceeds that go to the Consolidated Fund should be considered for specific educational activities. But at the level of the Government we have not sat and discussed it at the policy level. What we have said at the policy level is that

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education is the priority. Therefore, insofar as this is concerned this will be a very small part of the total education thrust.

I think the point that you are making is how does one access in a manner in which, whatever the results are, you are satisfied that there is nothing that has taken place that disadvantages you. I think that is the question. And it does not happen there alone; it happens in other agencies; it happens in other institutions, because whether we like it or not, even when we put in place the rules and the regulations it is a subjective thing, because people are, in fact, carrying out those decisions. What you may find to be one decision in one instance—I have a simple case of the Customs Division where you have one individual who may say to you, okay, on the basis of the information I have and on the rules that are available, this is the result. And somebody else looking at the same thing would say on the basis of the information I have, this is a totally different thing. And we are grappling with those issues but they are all human issues.

To say that there is some strategy afoot to try to put this group against that group, I am not aware of that. There is nothing we are doing in the governance of this country to support that. I want to make that extremely clear because I would be part of no such thing. We are here as the Government of Trinidad and Tobago, and we govern for all.

Sen. Mark: Madam President, through you, is the Minister aware that the chairman of the National Lotteries Control Board won his licence for the radio station via a ticket in a lottery draw? Are you aware whether anyone else had a ticket in that draw?

Sen. The Hon. C. Enill: No, I am not aware.

Sen. Prof. Ramchand: Madam President, the Minister has been very kind but I do not think he has dealt with what I have asked, specifically. The money from Lotto goes into the Consolidated Fund. I can quite appreciate that he is saying that money will be added to the education budget, as it were. But what I am getting at is that I would like the Minister to consider whether it would go over better with the national community if it felt and were told in advance that this money is going into a special fund which purpose is so and so.

Sen. The Hon. C. Enill: Madam President, I understood the question but on this side of the Senate there is the process by which we do things. Quite frankly, the process would be that as a group we would discuss it; look at the merits and the demerits, and if we consider it to be an appropriate suggestion that is consistent with what we are attempting to achieve, then it will become the policy,

and the policy will drive all the other actions. I give that commitment to you. We will look at it within the context of the policy.

Sen. Seetahal: You would have to amend the laws.

Sen. The Hon. C. Enill: Yes, that is also another consideration. Even as we speak now, there are some pieces of the parent Act that we need to look at, and we will do so.

Madam President, I beg to move.

Madam President: Hon. Senators, since we only have two clauses in the Bill, we will continue until we finish it.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole Senate.

4.30 p.m.

Senate in committee.

Clauses 1 and 2 ordered to stand part of the Bill.

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

Senate resumed.

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

Madam President: We shall now suspend for tea until 5.10 p.m.

4.33 p.m.: *Sitting suspended.*

5.10 p.m.: *Sitting resumed.*

**TRINIDAD AND TOBAGO POSTAL
CORPORATION (AMDT.) BILL**

Order for second reading read.

The Minister of Public Utilities and the Environment (Hon. Penelope Beckles): Madam Speaker, I beg to move,

That a Bill entitled an Act to amend the Trinidad and Tobago Postal Corporation Act, No. 1 of 1991, to extend the period of exemption from taxes and other charges, be now read a second time.

Madam President, the Bill seeks to amend the Trinidad and Tobago Postal Corporation Act, No. 1 of 1999 to extend the period of the exemption from taxes, duties and other charges provided to the Trinidad and Tobago Postal Corporation.

The main purpose of this Bill is to amend section 34(1) of the Trinidad and Tobago Postal Corporation Act, No. 1 of 1999, by deleting the words “for a period of three years from the commencement of this section”, and substituting the words “from the 10th day of February, 1999 to the 30th day of June, 2004.”

Clause 2 of the Bill would amend section 34 of the Act by extending the period of the exemption from February 10, 1999 to June 30, 2004.

Madam President, TTPost has advised that due to the late commencement of operations and delays in finalizing arrangements relating to the World Bank loan facility, 21 months of tax exemptions under section 34 of the Act have been lost. TTPost anticipates that it would procure goods and services estimated to cost \$28 million over a 15-month period, commencing at the end of February 2002.

Madam President, the delay in the drawdown at the World Bank loan facility was occasioned mainly by three factors. One would have been that although the DMA was signed in February 1999, training operations at TTPost did not commence until July 1999.

The second factor was that the protracted negotiations relating to the finalization of arrangements in respect of the World Bank facility; and, thirdly, that there were delays arising from the need to modify the World Bank facility arrangement as a result of changes in governmental administrations and the reconfiguration of ministries in 2001.

The Trinidad and Tobago Postal Corporation was established by the Trinidad and Tobago Postal Corporation Act, No. 1 of 1999, as part of the strategy to reform the postal sector in Trinidad and Tobago and the specific objectives of that initiative are as follows:

1. The creation of a financially self-sufficient postal service with a capacity to finance its growth investment and new product development needs.
2. The provision of universal postal service to the people of Trinidad and Tobago. That is to say, a delivery network that reaches all parts of Trinidad and Tobago; a counter network that will provide reasonable and convenient access to postal services for residents and for the provision of at least one category of letter mail service at a universal rate within Trinidad and Tobago.

3. The achievement of the high quality standards in the provisions of the postal services whilst maintaining reasonable, affordable and efficient prices for mail.
4. The stimulation of real growth in the postal service via an enhanced portfolio, services and products that are customer and market driven focusing on creating increased choice and availability of communication services, including paper waste and emerging electronic opportunities.
5. The modernization of the postal infrastructure and strengthening of the management capacity to maximize the future value of the enterprise, its assets and its workforce.
6. The development of a highly motivated workforce, which is committed to the organization's objective.

As part of the Postal Sector Reform Strategy, the Government of the Republic of Trinidad and Tobago contracted the management of Trinidad and Tobago Postal Service to Transend World-Wide formerly New Zealand Post International under a five-year delegated management arrangement. The delegated management arrangement defines the objectives, the responsibilities, the obligations and the financial arrangements. The main signatories to that agreement were the Government of Trinidad and Tobago, Transend World-Wide—that is the management operator—and TTPost.

Among other things, the delegated management arrangement specifies five annual performance targets to be met by Transend World-Wide Limited. In terms of universal delivery service, transit times, customer satisfaction, total postal revenue and net income. There are also certain project objectives to be accomplished, including change management strategy, human resource management training, management information system, a capital investment plan and the modernization of the postal infrastructure.

The Government of Trinidad and Tobago negotiated a \$11.4 million World Bank loan to facilitate the project implementation, inter alia modernization of essential facilities involving the procurement of equipment. The assumption underlining section 34 of the Act was that the procurement of the required equipment would be completed within three years of the establishment of TTPost.

Section 34 of the Act stipulates that TTPost would be exempt for a period of three years from the commencement of this section from all taxes, duties, fees or

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other charges incurred in the performance of its function. That exemption included value added tax. Given the fact that the Act was assented to on February 10, 1999, the exemption expired on February 04, 2002.

Madam President, based on the foregoing considerations, it is proposed that the exemption provided under the said section 34 of the Act be extended to June 2004, which is the expiry date of the delegated management arrangement.

In closing, therefore, I wish to reiterate that the objective of this Bill is simply to amend the Trinidad and Tobago Postal Corporation Act, No. 1 of 1999, to extend the period of exemption from taxes, duties and other charges provided to the Trinidad and Tobago Postal Corporation.

I beg to move.

Question proposed.

Sen. Mark: I do not know if I misinterpreted Sen. The Hon. Dr. Lenny Saith, but he did indicate to us earlier that he was going to allow the introduction and then we would wrap up and go.

Sen. Dr. Saith: I said we would go up to 6.00 p.m., move the adjournment and do the Motion on the adjournment because we all were prepared for this today.

Sen. Wade Mark: Madam President, I would like to indicate that this matter that is before us at this time, as was indicated by the hon. Minister, seeks to amend the Trinidad and Tobago Postal Corporation Act of 1999 and to extend the period of exemption from taxes, duties and other charges provided to the Trinidad and Tobago Postal Corporation.

Clause 2 of the Bill would amend section 34 of the Act by extending the period of exemption from the 10th day of February, 1999 to the 30th day of June, 2004.

The reality today is that there is a postal service that has undergone a revolutionary transformation as a result of initiatives that were taken when the previous government was fully in charge of this society and this economy. I must say that there have been hitches and glitches in the system, but I think life is a continuum, so my dear Minister, colleague and friend, do not worry, wherever you left the baton we took it and when you leave the baton, we will take it from you.

Madam President, as I said, this was a revolutionary initiative that was started some years ago and we at that time pursued this particular transformation process

and we are where we are today. We seek to extend the period of TTPost's management contract—first as New Zealand Post and now as Transend International—from February 10, 1999 to June 30, 2004. Whilst we seek to do so I would ask my hon. colleague, the Minister of Public Utilities and the Environment to indicate to this honourable Senate whether TTPost has been following and implementing the relevant sections of the Act.

I wish to draw to his attention and to the attention of this honourable Senate section 20 of the Trinidad and Tobago Postal Corporation Act. One would see in section 20 where the board has the responsibility, along with the management, to establish a corporate plan and it tells you what this plan should entail, what are its elements or its ingredients.

If we go to clause 21, it states—and I read:

- “(1) In conjunction with the submission of a corporate plan and before the end of each financial year, the Board shall submit to the Minister, a financial plan for the next financial year which shall include—
- (a) a profit and loss account forecast;...
 - (b) a projection of—
 - (i) funds to be retained for investment; and
 - (ii) compensation, and cost of training, for employees of Trinidad and Tobago Post.”

It goes on to outline all the responsibilities of TTPost in the context of a new entity seeking to conduct its affairs within new institutional framework.

I posed a question to the hon. Minister whether these plans have been submitted to her as the Minister or to the Ministry because I know the hon. Minister is new but she would have responsibility for reviewing what the former hon. Minister of Public Utilities, my good friend from Tobago, would have left.

We on this side would like to know about these plans—the financial plans, the corporate plans, the profit and loss account forecast, the capital account forecast, the projection of funds to be retained for investment and compensation and training—whether the Minister is in receipt of these plans and whether these plans have been shared by the workers of TTPost?

Madam President, we also want to know whether TTPost has been able to meet these objectives as outlined in the Act, and if they have been able to do so, we would like the hon. Minister to provide this Senate with the evidence. We

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have been informed that little or no training of staff has taken place under this arrangement that is in existence with Transend International. That is our information, that training has been very scattered and limited. I think, for instance, that we would need to get from the hon. Minister her assessment and evaluation as we seek to extend. Also, I understand that the five-year period is almost up.

In fact, if I am not mistaken, by the end of June if not before, the five-year agreement that we have had with Transend International, formerly New Zealand Post, would have ended and, therefore, I think the time has arrived when we need to have some accountability. We know that the matter is not properly before us at this time, but I still believe, given the various sections that I read, that the Minister owes us some account. She ought to indicate to this honourable Senate what is her assessment and evaluation of the performance of Transend Incorporated International, formerly known as New Zealand Post. What is clear to us is that the board of TTPost has violated, in the most flagrant of ways, the Act.

I quote and I refer to section 24 of this Act. It states and I quote:

“The Board...”

—not me—

“shall, within three months of ...each financial year...”

and Madam President, I want to let you know that this particular entity has been operating since February 1999 and its five-year contract based on the extension that we are going to grant to them is going to end in June 2004. Would you believe that the board and management of TTPost have shown total disrespect to the Minister and, by extension, the Parliament? It has shown total disrespect to the Government and, by extension, the Parliament.

Section 24 says, and I quote:

- (1) The Board shall, within three months of the end of each financial year, submit an annual report to the Minister in respect of Trinidad and Tobago Post and its subsidiaries.
- (2) The annual report shall include—”

among other things, the following. That is what we are supposed to have on an annual basis in this Parliament so we could properly assess the performance of TTPost under the management of Transend International, formerly New Zealand Post.

I asked today for a copy of the annual report of TTPost (Trinidad and Tobago Postal Corporation), and would you believe not a single annual report has been

submitted to this Parliament since TTPost was established in February 1999—five years—and I am sure they are looking for a renewal.

“The annual report shall include—

- (a) a statement of objectives of Trinidad and Tobago Post and its subsidiaries;”

No report, so we do not know the objectives of TTPost and its subsidiaries. We do not have an account of its record.

“(b) an outline of—

- (i) the overall strategies and policies under the corporate plan including those strategies and policies to enable Trinidad and Tobago Post to carry out its obligations under section 8;”

It shall provide to this Parliament,

“(ii) the performance indicators and targets under that plan;”

It shall provide to us:

- “(c) an assessment...to which the objectives...were achieved during the year;
- (e) a statement of the principles adopted in determining the annual return for distribution to the State together with an estimate of the amount of the proportion of the annual tax payable on earnings from all sources;
- (f) particulars of—
 - (i) companies that Trinidad and Tobago Post and its subsidiaries have formed,...
 - (ii) companies that became, or ceased to be,...
 - (iii) interests in partnerships,...
- (g) an outline of—
 - (i) shares that Trinidad and Tobago Post or its subsidiaries subscribed for, purchased or disposed of during the year;
 - (ii) other business interests,...
 - (iii) other activities,...

- (h) the financial target applicable to the year under the corporate plan;
- (i) an assessment of progress in achieving financial targets;
- (j) details of postal operations including—
 - (i) the number of delivery points in Trinidad and Tobago receiving letters;
 - (ii) the frequency of deliveries.”

5.35 p.m.

This Act was properly thought out by the United National Congress. We wanted to put TTPost under a system of accountability, which would enable them to operate in a corporate kind of environment and, of course, under State supervision. There has been a complete failure in this regard so we do not know how many delivery points have been established by TTPost since it came into power. We do not know how many delivery points are in receipt of letters over the last four and a half to five years.

We do not know the frequency of deliveries and what people are saying as consumers or customers as it relates to TTPost; the postal network with reference to post office agencies; volume of letters for the reserve service and for all other services; prices charged for reserved services; results of an independent survey to be commissioned by TTPost on the percentage of letters delivered within advertised deadlines, within three days of those deadlines and not delivered within those deadlines.

Madam President, it was a system of accountability in order to promote efficiency levels at TTPost. I must admit, in this instance, that the Auditor General has been doing her work—in the case of National Lotteries we had some problems since the last report we have is for 1999—I have all the reports up to 2003 here. So the Auditor General’s Department has done its work, because under the Act the Auditor General of Trinidad and Tobago is responsible for auditing all financial statements of TTPost or she can delegate that or outsource it to some private accounting group or auditing firm or company. She has met her deadline and commitment to the Parliament and, of course, the Government. I have some extensive references to make to those reports.

Madam President, this is the part that you and I would have some difficulty with. I quote:

“The Minister shall lay the annual report in Parliament within 28 days of his receipt of the report and if Parliament is not then in session, within 28 days after the commencement of its next session.”

I suspect if the Minister did not receive the annual report then the Minister could not lay those reports in the Parliament. I would really like the hon. Minister to tell this Parliament whether, in her new capacity and portfolio—She is one of the better Ministers on that side, I must admit. I know she is contaminated because there is a lot of poison on that side but she is one of the better Ministers, a very decent lady. I admire her very much. I am sorry I was not a little closer. *[Laughter]*

Madam President, to come back to this very important matter, we really would like to know what is the state of play with TTPost. We would like the hon. Minister to tell us, in the five years of operation of TTPost, whether that particular agency has failed to provide her and the Government with reports on an annual basis so that we in the Parliament, when it comes to making an objective assessment and evaluation of TTPost, would then be in a better position to do so. Right now we are shooting in the dark and I think the former hon. Minister of National Security, who is now the Minister of Tourism, did not shoot in the dark but he shot himself. We have to really understand what is taking place in this matter.

I go to the report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of Trinidad and Tobago Postal Corporation for the year ended June 30, 2003. From every report—I shall detail it for Senators—one would believe that we have a tea party taking place at TTPost from the absence of controls and complete breakdown of accountability. I saw in the newspapers some time ago—I do not have the article with me right now—where TTPost was reported to have said that they made a profit and every report I have looked at so far, including the last audited statement of June 2003, I see where expenses under the income statement continued to exceed income.

Madam President, as an example, the last report we have before us, 2003, says that when an analysis is made of the income and expenses of this very important corporation—which I must tell you, we have taken pride in nurturing, but we are very unhappy at this time based on what I am seeing before me—for 2002 the net loss of TTPost as stated in the audited financial statements on page 3, was \$13.6 million. That is the year 2002. In the year 2003 we saw TTPost down to \$2.2 million. So, it seems to me that they are reducing their losses, but I read somewhere—I do not have the figures before me—that over the five-year period I

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think in the third year or at least the fourth year TTPost is supposed to be generating enough revenue to become less dependent, first on the World Bank, and, of course, later on the Government of Trinidad and Tobago.

So, in the fourth year of TTPost's operations, given all the frameworks that were established, given all the targets that were set, given all the guidelines that were provided in the Act, TTPost was supposed to be generating sufficient revenue in its fourth year of operation to make it profitable. If I am wrong the hon. Minister can tell me, but that is what I recall in terms of the establishment of this particular agency.

So, I do not know, as we speak, whether this \$2.2 million has been converted into a profit at the end of 2004. I do not know. I read in a newspaper, I saw a headline some time ago—maybe a month ago, I do not have it here—where TTPost was boasting that it did, in fact, record a profit. I would be happy if that is true because it would be in the interest of TTPost to do so having regard to all the incentives that were given to that organization to operate in this country under this five-year contract.

I also know for a fact, that Transend International was given a management fee, I think about US \$5.3 million or US \$5.4 million in order to run the operations of TTPost.

Madam President, let me just provide the honourable Senate with some of the harsh realities that were brought to our attention by the Auditor General. For the year June 2003 under the heading "Accounts Receivable and Prepayments" the auditor stated:

"An 'Aged Analysis of Debtors' as at 2003 June 30 was not produced for audit. As a result, the entity's revenue collection policy was not assessed and the level of potential bad debts was not established for the financial year 2003."

"Fixed Assets", noted here, amounts to some \$3.5 million and the Auditor General says that:

"A Fixed Asset Register was not produced for audit examination."

So, here it is that TTPost is supposed to have fixed assets amounting to \$39.5 million and TTPost was unable to produce a Fixed Asset Register for examination by the Auditor General.

Madam President, you would see "Stale-dated Cheques" amounting to \$3.8 million. Included in that \$3.8 million is a figure of \$591,568.98 brought forward

from the previous year that was not verified. So, here it is that large sums of money are being brought forward and not being verified by the Auditor General maybe because of the lack of accountability.

A “Commission” amounting to \$1.1 million

“...was not verified since relevant records were not produced for audit.”

[*Interruption*] You must investigate that and if there is wrongdoing, I am one person who is on record as saying that wrongdoers must feel the full weight of the law. I have no problem with that. [*Desk thumping*] If something is wrong and you did something that is illegal, you send them to the gallows or the ghetto, wherever you want to send them. I have no compromise to make on that. So do not tell me about land. You investigate and if there is wrongdoing, jail people, send them to the prison and finish the ol’ talk. We are not hiding anybody. I am not protecting anybody and I am not drinking bush tea for anybody’s fever. I am clear about that. So, do not tell me about land. Investigate it, send it to the Minister of National Security, then to the AG and he can introduce the DPP and we would go forward. [*Interruption*] Yes, so you would not ask me again, Sen. Dr. Saith. Do what you have to do. I have settled that matter for you one time, Sen. Dr. Saith.

Madam President, there is a section called “Expenses, Salaries and Allowances”.

“The examination revealed various weaknesses in the systems and procedures relative to Salaries and Allowances.”

We paid \$48 million in salaries and allowances and still the Auditor General is saying whilst these payments were made systems and procedures remain very weak. This is the year 2003. [*Interruption*] No, I am saying this report—You are getting tied up, I know we are in 2004, but I am talking about the report. Can you imagine that in 2003?

Madam President, these things were pointed out to TTPost in 2002 and in 2001. I want to know if TTPost is sleeping. Why do these things keep repeating themselves? What is the problem? Is it a question of lack of professional staff? Is it an absence of technology? What is the problem?

Has TTPost brought these weaknesses in their accounting systems to the attention of the hon. Minister so that the Minister can take some action to help TTPost? After all, we are paying Transend International US \$5.3 million. That is a lot of money to manage. I know New Zealand is a place that is noted for efficiency so I would have thought that these simple matters would have been

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dealt with expeditiously by TTPost. I do not understand why these things keep recurring report after report after report. They just keep recurring.

Madam President, “Maintenance of Record”: I thought when we got out of the Central Government and TTPost was no longer an arm, department or division of the Ministry of Public Utilities and it was transformed into a statutory corporation it stood alone and therefore better systems and business procedures were supposed to be put in place. I do not know if the old culture continues to haunt the new entity. I do not know.

“Neither a Cash Book nor a General Ledger...”

Sen. Danny Montano, as a distinguished accountant, would know about these terms.

“Neither a Cash Book nor a General Ledger was produced for audit examination. These records were not seen to have been maintained during the financial year 2003.

Many payment vouchers examined were not properly authorized or stamped ‘PAID’.”

Many payment vouchers examined were not properly authorized so there is fraud taking place there. Is there fraud taking place at TTPost? We need to know. I feel proud that the UNC has established this institution but I have problems when I see these kinds of developments taking place.

Madam President, the Attorney General should know that the first responsibility and duty of any government is to form policy and the second function is to manage the economy and society. We formed and formulated policy with assistance and we implemented the policy. *[Interruption]*

I think this is a straight case where TTPost needs help. It clearly needs help. *[Interruption]* That is not the issue. The fact of the matter is that whilst they are not keeping their books in the way that we would like and in accordance with proper accounting standards and principles I think that the overall goal of TTPost—no one can deny in this country—is that they have, in fact, provided a much improved service than we ever had when we had this postal service as a department. *[Interruption]* No, no, I am telling you. *[Interruption]* Yes, but that is already on the record, I think. *[Interruption]*

Madam President, I think that the PNM would like to discontinue the management contract with New Zealand Post International which is now

Transend International. *[Interruption]* But you just indicated that to this whole congregation here. You told us that and I said take note, the Acting Prime Minister has spoken. Hon. Joan Yuille-Williams, Minister of Community Development—*[Interruption]* You did not stand, you sat, but I recorded it. *[Interruption]* If you want to apologize and withdraw I will also condescend.

Madam President:

“Correspondence files were not properly maintained in that documents did not carry folio numbers.”

This is a parlour? Would you believe that? Correspondence files were not properly maintained in that documents did not carry folio numbers?

“In addition, documents were not filed in chronological order and several files were maintained for the same type of data.”

Madam President, what is really going on here? I thought that according to this Act TTPost were supposed to allocate a certain amount of money or revenue for training purposes. They were supposed to train their employees, but I do not believe that was done because when you look at the sad state of affairs at it relates to accounting standards and principles and practices, something is wrong.

Madam President, a pension plan was supposed to be established within two years of the date of the establishment of TTPost. That is required by section 37(1) of the Act. What has happened to the pension plan? TTPost and its management, operating since February 1999—we are now in the month of March and their contract is supposed to end in June—and two years after the establishment of this corporation a pension plan for workers was supposed to be established. We are in the fifth year, and as far as I know, the Minister could correct me if I am wrong, a pension plan is yet to be established for the workers of TTPost. I understand they are now formulating the plan as they are on their way out. *[Interruption]*

Sen. Dr. Saith: It is 6 o'clock—

Sen. W. Mark: Sen. Dr. Saith, I think I would pause because I have so many things to say I think I would reserve my other 15 minutes for the next round. Remember, I also have a very important matter—

Madam President: You have five minutes left in your 45 minutes.

Sen. W. Mark: Okay, so you would like me to continue and then you would pause?

Madam President: Well, yes.

Sen. W. Mark: Madam President, you are so gracious.

Madam President, “Vesting of Properties”: In accordance with the Act, section 61(1) states:

“The Minister shall, by Order within twelve months of the commencement of this section vest in Trinidad and Tobago Post such property which was under the direction and management of the Post Master General under the Post Office Act at the commencement of this section as specified in the Order.

Evidence of the vesting of the property in Trinidad and Tobago Post was not seen.”

This is not the fault of TTPost. The Minister must tell us why the Minister did not, within 12 months of the commencement of this section, vest in Trinidad and Tobago Post such property which was under the direction and management of the Post Master General.

Madam President, the Auditor General is saying that evidence of the vesting of property in TTPost was not seen. So, was property vested and the records—*[Interruption]* I am talking about 1999, 2000, 2001, 2002, 2003 and we are now in 2004. The PNM has been in office for 26 to 27 months. So, we want you to tell us—*[Interruption]* Twelve months after in the first instance, but I want to know what has happened. Tell us what has happened. *[Interruption]* No, I have five minutes, I was told.

Madam President, there are so many areas that I would like to bring to your attention and the Parliament’s attention. Now, I am not berating in any way or attacking TTPost, I am just bringing to the attention of this Parliament what are the facts. These are the facts, I did not invent them. These are the facts that were issued by the Auditor General of this country. As a Parliament we should be concerned about these matters. I am simply saying, in my remaining 15 minutes which you would obviously allocate to me when we return next Tuesday, I would try to deal with some other very important issues that I have not yet raised but I am sure you will allow me the opportunity to do so when we resume.

Thank you very much, Madam President, and we shall resume, as you said, the following week.

Madam President: The speaking time of the hon. Senator has expired.

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

Question put and agreed to.

ADJOURNMENT

The Minister of Public Administration and Information (Sen. The Hon. Dr. Lenny Saith): Madam President, I am almost tempted to move that we start at 5.00 p.m. next Tuesday, but I beg to move that the Senate do now adjourn to 1.30 p.m. on Tuesday, March 16, 2004.

Sen. R. Montano: What would we be doing?

Sen. The Hon. Dr. L. Saith: We would continue to listen to Sen. Mark, complete that Bill and—[*Interruption*] As laid out here.

6.05 p.m.

Madam President: There is a matter to be raised on the adjournment of the Senate. Sen. Mark.

Escalating Cost of Living in Trinidad and Tobago

Sen. Wade Mark: Thank you very much, Madam President.

I raise this particular Motion on the escalating cost of living in this country because it is of serious concern to the vast majority of the citizenry in this land. Ever since the brutal and unconscionable increase in fuel prices by this heartless and cruel PNM regime, the vast majority of our citizens have been reeling under the hammer blows of a virtually never-ending spike in the cost of living.

This unending spiral in the cost of living has not only eroded the purchasing power of the working and ordinary citizens of this country, but it has devastated and devalued both their standard of living and their quality of life. The citizens, particularly those on fixed incomes, like pensioners, have been severely battered by this uncontrollable madness that is taking place in this land and, with the disaster and tragedy passing for a ministry of consumer affairs, whose Minister seems to be only watching and monitoring price increases, the citizens of this country have been left to fend for themselves. This situation cannot continue unattended. We believe intervention is needed to stem the rising tide in the cost of living in this country.

I want to bring to your attention some increases that have taken place and have been published not only in the *Business Guardian*, but I have been able to do

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my own investigation into this matter. In January 2004, rice increased by almost 15 per cent. With this increase, a 1-kilogram pack of Par Excellence rice has gone from \$4.33 to \$4.90; whilst a 2-kilogram pack has moved from \$8.50 to \$9.60. We have a situation where all qualities and varieties of rice have increased in this country. And what do we have from the hon. Minister with responsibility for Consumer Affairs? His advisory to citizens is that when the prices go up they should eat cassava. The role of the hon. Minister, as he told the whole country through the *Business Guardian*, is to be a watchdog. I do not think we want any minister in any ministry just to be a watchdog. A minister must be more effective or go home.

Can you imagine, Madam President? Here we have a company called the National Flour Mills, 51 per cent of which is owned by the State. They have the majority of directors on the board, yet the Minister with responsibility for Consumer Affairs would have us believe that they have no control over what the National Flour Mills does. The National Flour Mills produces rice, flour, oil and grains for feed stock and they have been butchering and literally murdering people in terms of their wild increases in prices.

Recently, on February 06, without the knowledge of the Minister, they increased the price of flour by 6 per cent. They also increased the price in January 2003 by 22 per cent and then they had a decrease, they say, in May, by some 15 per cent, resulting in the price of a sack of 45-kilogram bakers' flour moving, after the 22 per cent increase, from \$133.44 to a situation where they came back and there was a reduction in May and now the price of flour is up again. So the price of bread—a loaf of bread for which I used to pay \$4.65—is now \$6.90. How are ordinary people going to survive? And the Minister tells us he cannot do anything about it.

The National Flour Mills can be controlled by the Government. The National Flour Mills can take instructions from this Government but the Government has refused to put them under pressure. Hear what is going on.

The Government of this country has slapped duties on imported milk by 40 per cent; imported rice, 25 per cent; macaroni, 40 per cent; oil, 40 per cent; flour, 25 per cent; whole chicken, 40 per cent; chicken parts, 126 per cent; turkey parts 126 per cent; red beans, 40 per cent; goat and beef, 40 per cent. Do you know what they collect, Madam President, as a result of those duties? They collect \$160 million from poor people.

The time has come for the Government to intervene. Do not take advantage of the poultry producers, threatening to shut them down and remove duties when

there is a national flour mill that is doing its own thing. What is good for the goose is good for the gander. Put control on the National Flour Mills.

Madam President, the Government should be subsidizing the local chicken industry. The figures show, in terms of the Caribbean, in terms of broilers, legs and whole birds, that Barbados subsidizes its industry by 201 per cent; Jamaica by 260 per cent; Suriname by 20 per cent; Belize by 110; Trinidad and Tobago by 40 per cent. So, in other words, those countries are subsidizing their farmers and their poultry producers while Trinidad and Tobago seems to be doing the reverse.

The reality as we speak is that the prices of basic things have gone up again. Whether it is steel products or PVC—all things are going up and we are told that Ispat increased steel, wire rods and billets to Centrin and Dansteel by 25 per cent. They in turn increased their prices by 100 per cent, so the prices of basic steel and related products in the hardware today are not 25 per cent, but 100 and 150 per cent. People cannot build homes again in this country. Subsidies have gone. So it is not only food prices that have gone up. It is the price of everything. That is why Trinidad and Tobago is boiling. We are going to have a major social accident in this country because the cost of living is going up, purchasing power is going down and the quality of life is going down. We are getting poorer and the Government is doing nothing about it. They are responsible for fuelling the cost of living in this country.

When they increased the cost of fuel in the last budget, overhead expenses went up throughout the country. Transport went up—that was the first effect—and goods and services went up simultaneously. Today, everybody is having a field day and we are the “bobolees” in this country.

The Government must intervene in some way. Do not tell me about free market! People cannot live on free market! If we are not careful—I want to issue a warning to the Government this evening—they are demolishing squatters’ homes. They see what is happening with Atlantic LNG—it was shut down. It is spreading to Petrotrin. This country is in for trouble because they cannot pay people dog wages and expect them to live. There will be problems and trouble in this country. I advise the Government to take action and do something about the matter. They cannot have the situation continuing unabated where every time you go to the grocery, the prices have gone up.

I am flabbergasted every time I speak to housewives. There is a situation that every week—coffee, as an example, has gone from \$31 to \$38; basic soap has gone up; a pack of salt fish that used to be \$12 is now \$21. If you want a chicken

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the size of your fist, it is \$40. What is going on here? And the Government is sleeping. The Minister told the whole country that he could just watch. The time for watching is over.

Madam President, I bring to your attention that the Government of this country, in January of this year, in a gazetted statement, changed, in a surreptitious way without the knowledge of the country. I brought it to the attention of the Senate in the last budget debate that the Government was changing and revising the Retail Prices Index; here it is in the *Gazette* of Thursday, January 08, that the Government has revised its Retail Prices Index.

They have now increased the basket of goods from 10 to 170. Do you know what is the effect of that, Madam President? They now include hotels and all kinds of meats that the ordinary person will never eat. The effect of this is that the cost of living is going up, but artificially inflation would be kept down. They would suppress inflation in the country. This is a criminal act. They are fooling the country because, at the end of the day, the poor people will rebel and this Government will have to intervene because when people are hungry, they are angry.

Prices for food and basic goods and services are out of control and we need the Minister, not to watch and monitor prices, but to take decisive action to deal with price increases, and we want him to start with the National Flour Mills that is doing its own thing and which has a virtual monopoly on flour, rice and oil. I feel that they have to do something about that matter very urgently.

Thank you very much.

The Minister of Legal Affairs (Sen. The Hon. Danny Montano): Madam President, thank you very much.

I listened for the last 15 minutes to what the Senator had to say and it really is a tragedy that we have to listen to a speech that is so passionate and which clearly comes from the heart and not from the brain.

I enjoyed the statement by Sen. Mark. Clearly, he shares the same passion for the subject that I share, but I will try to bring some intellect into the discussion. Let me say, first of all, that it is not the policy of this Government, nor was it the policy of the previous government—and I daresay that it will not be of the next government—to control prices in Trinidad and Tobago. It is not our policy to do that. It was not their policy and it is not our policy.

Just so that he understands, the Minister of Legal Affairs, also with responsibility for the Consumer Affairs Division, is responsible really to protect

trading issues insofar as the consumer is concerned. There are bits and pieces of legislation involved—the Hire Purchase Act, the Sale of Goods Act, the Consumer Protection Act—which fall under the portfolio of the Minister of Consumer Affairs. There is no legislation in the country that gives any Minister of Government power to control prices other than the price of gasoline and natural gas as far as I am aware and, therefore, we do not have a legislative framework to control prices. And, as I started by saying, it is not our policy to do so.

In 1994, the PNM government opened the foreign exchange markets and liberalized the entire economy to allow a free market system. Sen. Mark says not to tell him about a free market system. I am afraid I have to tell him about that because I am very certain that the Ministers of Finance he had under his government would have told him the same thing. They subscribed to the same system of economics—the free market system.

We are all deeply concerned about any escalation in prices, but before we get things completely out of context, let me just assure him of what is taking place. Inflation in 1996 was 3.3 per cent; 1997, 3.6; 1998, 5.6; 1999, 3.4; 2000, 3.5; 2001, 5.6; 2002, 4.1; 2003, 3.6. That is overall inflation.

In food, according to the Central Statistical Office (CSO), the increases in the food basket between 1996 and 2003 were 12.2 per cent in 1996; 9.5 per cent in 1997; 14 per cent in 1998; 10 per cent in 1999; 14 per cent in 2000 and 7.5 per cent in 2001. Between 1996 and 2001, the overall price of food went up by 88 per cent. In 2002, the increase was 7.3 per cent and in 2003, 11 per cent. That is the reality.

What has happened between January and now has been entirely as a result of world market forces. It does not fall to happen here. The Ministry of Consumer Affairs gets involved in pricing only in a situation where there may be something unusual about the pricing mechanism—either where there is a cartel or a monopoly.

In the case of the National Flour Mills, they are a virtual monopoly with a number of products and therefore the ministry makes an issue out of their pricing. It is not the policy of this Government, or the Cabinet or any member of the Government to interfere directly in the business strategies of any state-owned enterprise. We set certain basic policies that are broad—the specifics are left to the boards themselves and the management of the companies.

The politicians do not get involved. The reason is that we are not going to do the same foolishness the UNC did when they were in government. We are not going to make the same kinds of mistakes. We are not going there. It is, therefore,

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very straightforward. We will not direct the National Flour Mills, which is largely owned by public shareholders, that they lose money or make more money as the case may be. That is a matter for their management because there are downstream implications that would be grossly improper for the State to interfere with. The suggestion of Sen. Mark is highly improper.

For me to instruct National Flour Mills to reduce the price of flour is virtually to tell the shareholders of National Flour Mills that they must take a loss of investment at my whim and fancy. A government like this cannot do that. We have no right to do that at all and Sen. Mark simply does not understand governance. He simply does not understand it. He just does not get it.

He talked about intervention being needed in the pricing of rice and flour. I have dealt with part of that and I have also said that it is not the policy of this administration to control prices. We did the only thing we could do as a responsible government. We spoke out against it and told the consumer that there were alternatives and, with the greatest of respect, when I spoke, I did not speak about cassava. The *Guardian* spoke about cassava. I spoke about sweet potatoes and green figs and so on and they put cassava on the front page. But I am fair game. If that is what they want to put on the front page, let them put it on the front page. [Interruption] No, Sir. I did not say so.

When I dealt with the question of rice, I asked them to roll their prices back to make the increase a little softer. They flatly declined. The subject of flour came up. I then met with the Bakers' Association and I said: "Gentlemen what do you intend to do?" They said, "Well, we have a Bakers' Association with about 160 members. We will meet and decide to increase our prices." I said, "Let me tell you something. I am not overly concerned with what you do because I know there is competition in the marketplace and you will have to fight with one another."

The result is this. I will just give you a little example. We did a little survey of 22 bakeries; four of which are in Tobago. Of the 22 bakeries, only 5 of them raised the price of hops. One of them raised the price of butter bread and 6 raised the price of sliced bread. The price increases were 2 per cent, 1 per cent and 4 per cent respectively. [Interruption] We did not deal with HiLo because the people who shop at HiLo largely can afford it. We are talking about people who cannot.

This was a little example of what was done. The fact is that by allowing natural market forces to work, it worked out. In the chicken situation, the producers made a good case that the price of chicken should go up. I said I would take it to Cabinet and see what could be done. I looked at it. The reality is—just

so you know—in terms of trying to produce a chicken, 65 per cent of it comes from corn and soya bean, which is entirely imported—some of it directly, some of it through National Flour Mills. Between September of last year and January of this year, the price of soya bean went up 41 per cent and the price of corn went up 28 per cent. There is a good case for an increase in the price of chicken. I said I would look at it.

I have looked at it and I have spoken with the producers. The figure \$4.30 seems to be the magic number at this point. One of producers said, “To heck with you, I am going to \$5.00.” At that point, I said: “Do not buy his chicken.” That is exactly what happened. Many of the pluck shops said they were not going to buy his chicken and the other producers stepped in and filled in largely, but not entirely for the shortfall. He has had to roll his price back to \$4.00 because natural market forces are at work.

If you want to talk about steel, there is nothing we can do about the price of steel. There is nothing anybody can do about the price of steel. Production of steel is increasing annually, globally by about 7 to 10 per cent each year, but the consumption of it is increasing by between 15 to 20 per cent and largely from China. China is now the single largest importer of steel in the world. They are now importing more steel than the United States. Just to give a little example, iron and steel rebar from June 2003 to now—in June 2003, it was \$270 per metric ton; it is now US \$500 per metric ton. That is the international market. We have to import the steel; we do not make it here. We do not have the iron ore locally, so it is entirely imported. There is absolutely nothing we can do about that. I understand that it is going up even further, but there is nothing we can or should do, unless we feel that something improper is taking place.

Let me assure you that in some areas—I am not referring to steel—we have information that there are some improper trading arrangements and my ministry is investigating that as we speak. I got a call from a regional neighbour and certain things will be said and done about that in the very near future.

My very good friend, Sen. Mark, made an extremely passionate, but ignorant plea, completely unaware of what a free market is all about and without understanding that the whole world is going forward while he says let us go back. We are not going back. Sen. Mark, this Government is not going backward. We are marching forward.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 6.35 p.m.

WRITTEN ANSWERS TO QUESTIONS

The following questions were asked by Sen. Wade Mark:

Applicants for Housing

10. (a) Could the hon. Minister of Housing provide this Senate with a detailed list of all applicants for housing accommodation to the Ministry from January 2002 to November 2003 on a monthly basis in the following areas:
- (i) applications for land;
 - (ii) applications for rental units;
 - (iii) applications for housing;
 - (iv) applications for leases?
- (b) Could the Minister further provide this Senate with the names and addresses of all applicants during the same period?

The following reply was circulated to Members of the Senate.

The Minister of Housing (Hon. Dr. Keith Rowley): Over the period January 2002 to November 2003 the Ministry of Housing received a total of 160 applications for land. A breakdown of the number of applications on a monthly basis is outlined as follows:

- (i) Application for land:

2002	No.	2003	No.	Total No.
January	6	January	5	11
February	12	February	7	19
March	2	March	8	10
April	10	April	6	16
May	6	May	4	10
June	12	June	4	16
July	6	July	8	14

2002	No.	2003	No.	Total No.
August	9	August	7	16
September	7	September	12	19
October	4	October	3	7
November	6	November	9	15
December	7			7
TOTAL	87		73	160

(ii) Applications for rental units

Over the period January 2002 to December 2003 the Ministry of Housing received a total of 776 applications for rental units. A breakdown of the number of applications on a monthly basis is outlined as follows:

2002	No.	2003	No.	Total No.
January	32	January	53	85
February	33	February	43	76
March	20	March	36	56
April	14	April	40	54
May	15	May	46	61
June	23	June	31	54
July	19	July	38	57
August	10	August	48	58
September	6	September	54	60
October	18	October	48	66
November	74	November	37	111
December	38			38
TOTAL	302		474	776

(iii) Applications for housing:

Over the period January 2002 to November 2003 the Ministry of Housing received a total of 38,867 applications for housing. A breakdown of the number of applications on a monthly basis is outlined as follows:

2002	No.	2003	No.	Total No.
January	5	January	64	69
February	16	February	39	55
March	53	March	26	79
April	15,666	April	10	15,676
May	10,648	May	19	10,667
June	180	June	11	191
July	114	July	2,979	3,093
August	75	August	1,569	1,644
September	54	September	2,063	2,117
October	149	October	2,770	2,919
November	67	November	2,257	2,324
December	33			33
TOTAL	27,060		11,807	38,867

(iii) Applications for Leases

Over the period January 2002 to October 2003 the Ministry of Housing received a total of 2,070 applications for leases. A break down of the number of applications on a monthly basis is as follows:

2002	No.	2003	No.	Total No.
January	67	January	101	168
February	43	February	261	304
March	38	March	-	38
April	59	April	-	59

2002	No.	2003	No.	Total No.
May	129	May	59	188
June	157	June	43	200
July	62	July	185	247
August	252	August	-	252
September	53	September	123	176
October	-	October	227	227
November	147		-	147
December	64		-	64
TOTAL	1,071		999	2,070

- (b) The hon. Minister wishes to advise the Senate that a detailed response with names and addresses of applicants would undermine the necessary privacy and confidentiality between the National Housing Authority (NHA) and its clients. This is not in keeping with proper business practices which the organization upholds. Accordingly, the Minister seeks the indulgence of the Senate to withhold the details sought for the reasons given.

IADB Loan Agreement

- 19. (a)** Would the hon. Minister of Planning and Development provide this Senate with:
- (i) a copy of the Loan Agreement entered into between the Government of the Republic of Trinidad and Tobago and the Inter-American Development Bank for the sum of US \$5 million to assist the development and implementation of a strategic plan for the comprehensive transformation of the public sector; and
 - (ii) details of the loan conditionalities attached to each tranche of the loan over the life of the loan agreement?
- (b) Would the Minister inform this Senate whether there is likely to be any job loss or dislocation from such a comprehensive public sector reform programme?

The following reply was circulated to Members of the Senate:

The Minister of Planning and Development (Hon. Camille Robinson-Regis): The Government on December 05, 2003, successfully negotiated a loan in the sum of US \$5 million from the Inter-American Development Bank (IDB) to assist the Government in the implementation of a Public Sector Reform Initiation Programme (PSRIP).

On January 29, 2004, Cabinet agreed that the Minister of Planning and Development sign the loan contract on behalf of the Government, subject to positive vetting of the contract by the Attorney General. The contract is currently being vetted by the Attorney General prior to signing by the Minister of Planning and Development.

In summary, the Government has not yet executed an agreement with the IDB, in respect of a loan of US \$5 million to assist in the development and implementation of a strategic plan for the comprehensive transformation of the public sector. However, the Government intends to do so, once the loan contract has been vetted by the Attorney General.

The Senate is advised that 30 days after the signing of the Loan contract, the signed loan contract will be tabled in Parliament in accordance with the External Loans Act, Chap. 71:05, section 11.

The loan will be disbursed over a period of 36 months. The conditionalities are as follows:

Conditions Precedent to First Disbursement:

Seven requirements must be fulfilled before loan funds are disbursed, namely:

- (a) A legal opinion which establishes that Government's obligations in the contract are valid and enforceable;
- (b) Officials are to be designated by Government as its representatives in all matters relating to the contract and signatures submitted to the Bank;
- (c) Government demonstrates to the Bank that sufficient resources have been allocated for implementation of the Programme at least during the first calendar year;
- (d) Government presents to the Bank an initial report which will serve as the basis for the preparation and evaluation of the progress reports on programme execution to be submitted to the Bank during the implementation period;

- (e) Government presents to the Bank the plan, catalogue or code of accounts;
- (f) The official auditing agency shall undertake to perform auditing functions or an approved independent accounting firm is engaged to perform auditing functions; and
- (g) If the special conditions of this loan contract provide that this is a single currency facility loan, the Bank shall have received a letter duly signed by the Government, with the express written conformity of the guarantor, if applicable, confirming either its decision to maintain the interest rate alternative originally selected for the financing as determined in sections 1.02(b) and 2.02(a) of the special conditions, or its decision to elect to change the interest rate alternative of the financing as determined in section 2.03 of the special conditions of this loan contract.

Special Conditions Prior to First Disbursement:

In addition to the conditions precedent, the first disbursement of the Loan shall be subject to the fulfilment, to the satisfaction of the Bank, of the following requirements:

- (a) The executing agency has created the Programme Implementation Unit (PIU) and appointed the following personnel, according to the terms agreed with the Bank: the Programme Manager, the Financial Specialist and the Procurement Specialist.
- (b) The Executing Agency has established the Programme Steering Committee (PSC);
- (c) The operating manual, agreed with the Bank, has been entered into effect;
- (d) The executing agency has implemented an adequate system of internal accounting and administrative controls, including a financial accounting general ledger in accordance with Article 7.01 of the general conditions; and
- (e) The executing agency has presented to the Bank for its approval, the final procurement plan and bidding documents for the hiring of individual consultants and international consulting firms to carry out the activities.

There will be neither job loss nor dislocation as a result of the implementation of this Public Sector Reform Initiation Programme, given the Programme objectives and the nature of activities that will be implemented. These are summarized hereunder:

Objectives:

The general objective of the PSRIP is to support the initial development and implementation of a long-term strategy to reform the public sector in line with the national goal of achieving developed country status by year 2020.

The specific objectives of the Programme are to:

- (a) assist the Government to better identify the issues for the transformation of the public sector;
- (b) define a suitable and socially and politically sensitive strategy for the transformation of the public sector;
- (c) facilitate the attainment of widespread agreement and support necessary to implement such strategy; and
- (d) develop some basic management instruments and the capacity to help the Government to better plan and manage the reform process.

Components

The Programme has two main components:

- (1) Component I - Public Sector Reform Strategy

This component will finance the following activities:

- (i) A study for the identification of issues and policy options:

The study will help to assess the current status, set the basis for a common language to be used in future dialogue among stakeholders, clarify perceptions among stakeholders, sketch a common vision for the future of the public sector by drafting a set of common, objective verifiable and achievable goals; and lay down a series of alternatives, policy options and trade-offs for each of the identified goals.

- (ii) Development and Implementation of the First Phase of a National Dialogue Strategy:

Under this activity, the Programme will provide the necessary technical assistance, logistical support and materials for the

design and initial implementation of a national dialogue strategy to ensure adequate support for the public sector reform strategy.

(iii) **Development and Implementation of a Communication Strategy:**

This involves activities for stakeholder engagement and dissemination to the public of relevant information at all stages of the process.

(iv) **Training for Key Decision-Makers and Stakeholders on Economic Policy and National Strategy:**

Training and coaching of approximately 30 key decision-makers and stakeholders in economic policy to provide instruments for decision-making and assessments of their medium/long term impacts for development of a country.

(v) **Panel of Experts:**

This activity involves the retaining of a number of nationally and internationally recognised experts to provide technical assistance/advice to the Ministry of Public Administration, the executing agency, and for the implementation of Component 1.

(2) **Component 2 - Strengthening of the Public Sector's Structural Capacity**

This component will assist Government in developing a basic capacity to initiate the implementation of the second phase of the reform process and will involve the following activities:

(i) **Information Gathering:**

Public Employment Data Survey of Public Employees.

(ii) **Information Gathering:**

Public Sector Institutional Performance Data.

(iii) **Information and Communication Readiness in the following areas:**

(a) **Information Management Readiness Assessment.**

(b) **Development of Strategic Vision of New Information Environment.**

(c) **Development of a Policy Framework for Information Management**

- (d) Legal Framework for Information Management.
- (e) Re-engineering of the Public Service Central Registry System.
- (iv) Strengthening of the Human Resource Management System at the Service Commissions Department (SCD) to support the Implementation of the Integrated Human Resource Information System (IhRIS):

The Programme, under this component, will finance the necessary technical assistance to perform an independent assessment of the structural gaps in the Human Resource Management System under the purview of the SCD, and make recommendations to facilitate the implementation of IhRIS.

- (v) Development of Compensation Policy:

The Programme, under this activity, will finance the necessary technical assistance to develop a compensation policy suitable to attract, motivate and retain adequate personnel for the Public Service, taking into consideration the strategic goals of the Public Sector Reform Strategy, the information obtained from the Public Employment Survey, the fiscal and economic objectives, the private sector compensation and other relevant issues. The draft compensation policy and corresponding technical work will be widely discussed among stakeholders. On the basis of this exercise, a final policy will be prepared, thus laying down the basis for a medium and long-term public employment reform framework.

- (vi) Strengthening Ministry of Public Administration and Information (MPAI) organizational structure and change management capacity:

The Programme, under this activity, will finance the necessary technical assistance, training and materials, to enhance the structure, organization and processes of the MPAI as well as to strengthen its capacity to act as the facilitator of the Public Sector Reform Programme and lay down the basis for the implementation of a performance-based management. It is expected to have, at the end of the implementation of this Programme, a cadre of civil servants and managers able to coordinate a future and complex Public Sector Reform Programme, establish productive dialogue among stakeholders, monitor and evaluate progress, effectively interact with consulting firms, donors and representatives from other agencies, and persuade and motivate change. Furthermore, it is also

expected that at the end of this Programme, the organizational structure and operational procedures will be supportive of its expected facilitator's role.

(vii) Strengthening of the Central Statistical Office (CSO):

The objectives of this activity are to: (a) identify an appropriate model for the institutional strengthening of the CSO, and (b) develop a comprehensive plan of action for the transition to that model. The Programme, under this activity, will finance a consultancy to detail the way forward in taking the CSO from its current state to an effective, high performing agency.

(viii) Development of a Policy Position and Implementation Plan for Financial Management Reform.

The Programme, under this activity, will finance the necessary technical assistance to support the Ministry of Finance to design a plan to reform financial management for the Public Service. The objective of this activity is to design, on the basis of the existing diagnosis and proposals and the analysis to be carried out under Component 1, a specific plan to carry out the reform.

(ix) Strengthening of the Tobago House of Assembly (THA):

The Programme, under this activity, will finance the necessary technical assistance, training and materials, to assist the THA in improving its human resource management systems and optimize its structure, organization and management processes. It is expected that the MPAI and the Division of Public Administration of the THA will engage in joint activities for the upgrade of consultancy management skills of its officials.

(x) Improvement of Cabinet Decision-Making process:

The Programme, under this activity, will finance the necessary technical assistance, training and materials to streamline and enhance the decision-making process at the Cabinet level.