

*Leave of Absence*

*Wednesday, June 16, 2004*

**SENATE**

*Wednesday, June 16, 2004*

The Senate met at 1.30 p.m.

**PRAYERS**

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

**LEAVE OF ABSENCE**

**Mr. Vice-President:** Hon. Senators, I have granted leave of absence to Sen. The Hon. Dr. Lenny Saith and Sen. Dr. Eastlyn McKenzie from today's sitting of the Senate.

**SENATOR'S APPOINTMENT**

**Mr. Vice-President:** Hon. Senators, I have received the following correspondence from His Excellency, the President:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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

/s/ G. Richards  
President.

TO: MRS. JOAN HACKSHAW-MARSLIN

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

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

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 28<sup>th</sup> day of May, 2004.”

*Oath of Allegiance*

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**OATH OF ALLEGIANCE**

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

**PAPERS LAID**

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the accounts and financial statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the period August 16, 1991 to December 31, 1991. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
2. Report of the Auditor General of the Republic of Trinidad and Tobago on the accounts and financial statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the year ended December 31, 1992. [*Sen. The Hon. C. Enill*]
3. The annual report of TTPost for the year ended June 30, 2000. [*The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams)*]
4. The annual report of TTPost for the year ended June 30, 2001. [*Sen. The Hon. J. Yuille-Williams*]

**ORAL ANSWERS TO QUESTIONS**

**The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams):** Mr. Vice-President, as you are aware we had one sitting yesterday and we were not aware that we would have had another sitting today. Those who were supposed to answer questions were not prepared for this afternoon.

I humbly ask that we defer the answers for these questions to the next sitting of the Senate.

**Sen. Mark:** We cooperate.

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

**Unemployment Relief Structure  
(Management Structure)**

- 60. A.** Could the hon. Minister of Local Government provide the management structure of the Unemployment Relief Programme (URP) inclusive of the Women's Programme in Trinidad and Tobago?

- B. Could the Minister further provide:
- (i) the names;
  - (ii) qualifications;
  - (iii) salaries; and
  - (iv) other conditions of employment of all persons permanently employed by the URP particularly those positions from labourer or to director in URP Women's section over the period January, 2002 to March, 2004?

**Barbados and Trinidad and Tobago  
(Maritime and Trade Matters)**

61. Could the hon. Minister of Foreign Affairs give a detailed account on the impact of the maritime and trade matters that are adversely affecting friendly relations between Barbados and Trinidad and Tobago?

**Barbados and Trinidad and Tobago  
(Diplomatic Notes of Protests)**

62. Could the hon. Minister of Foreign Affairs table the several diplomatic notes of protests received from the Government of Barbados and the responses of the Government of Trinidad and Tobago to these notes and protests?

*The following questions stood on the Order Paper in the name of Sen. Sadiq Baksh:*

**Piarco Airport  
(Runway Overlay Project)**

84. With respect to the Piarco Airport Runway Overlay Project could the hon. Minister of Works and Transport indicate:
- (i) Whether the contractor was given an "extension of time"?
  - (ii) If the answer to (i) is in the affirmative, on what basis was the "extension of time" given?
  - (iii) What is the new completion date for this project; and
  - (iv) Was any liquidated damages charged for any delays in the works?

**Runway Overlay Project  
(Contract)**

85. With respect to the original contract for the Piarco Airport Runway Overlay Project, could the hon. Minister of Works and Transport state:
- (i) whether there was any increase in the contract sum;

- (ii) if there was an increase, would the Minister state which clause in the original contract allowed for this;
- (iii) whether there were any variation orders issued under the contract for additional works and if so, what were they; and
- (iv) whether the performance bond was seized for failure to perform in accordance with the contract?

*Questions, by leave, deferred.*

#### ARRANGEMENT OF BUSINESS

**Mr. Vice-President:** Hon. Senators, I have been advised that a ministerial statement is to be made by the hon. Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill. I have granted leave for this statement to be made at 4.00 p.m. Accordingly this statement is deferred until that time.

#### FINANCE (SUPPLEMENTATION AND VARIATION OF APPROPRIATION) BILL

[Second Day]

*Order read for resuming adjourned debate on question [15<sup>th</sup> June, 2004]*

That the Bill be now read a second time.

*Question again proposed.*

**Mr. Vice-President:** Hon. Senators, those who spoke on the Bill are Sen. The Hon. Conrad Enill, Sen. Wade Mark, Sen. Prof. Ramesh Deosaran, Sen. The Hon. Martin Joseph, Sen. Roy Augustus, Sen. Mary King, Sen. The Hon. Knowlson Gift, Sen. Prof. Kenneth Ramchand, Sen. Basharat Ali, Sen. The Hon. Rennie Dumas, Sen. Walton Francis James and Sen. Bro. Noble Khan.

**Sen. Carolyn Seepersad-Bachan:** Mr. Vice-President, this afternoon I am pleased to contribute to the Finance (Supplementation and Variation of Appropriation) Bill. Before I start my contribution, let me record for the information of this Senate, based on some of the points that the Minister, Sen. The Hon. Conrad Enill raised in his presentation, it is very clear to me that although the energy sector growth was 11.4 per cent, the non energy sector languished at 1.8 per cent. The other issue which we need to look at in this report that was rather telling is that we continue to have a low demand for private sector credit in this economy. We need to understand why there is this low demand for private sector investment.

I read the contribution of the hon. Prime Minister in the other place for this particular debate which took place last Wednesday. For years we have been

asking the Government to ensure that the macroeconomic fundamentals remain stable and not be put at any risk. I want to go back for the record to state that when we started in October 2002, in the first budget debate, I remember stating and quoting from the Governor of the Central Bank, Mr. Williams when he spoke about the stable economic climate of Trinidad and Tobago. It was a statement to the South Chamber of Commerce. He talked about the external debt which was 18 per cent of the GDP and the external debt service which was just about 4 per cent of the export goods and services. In his view that was manageable. You had inflation which is under control; stable and credible exchange rate regime and strong level of international reserves. The economic imbalances have been significantly reduced such as the public finances and external accounts and the unemployment rate was low.

When we spoke at that particular debate it was raised several times that these fundamentals were strong at that point in time. Several Members also quoted from the International Monetary Fund which commended Trinidad and Tobago for stabilizing these economic factors and indicated that we needed to go beyond this point. We had completed first generation reform and we were about to embark on second generation reform. That dealt with all the issues of institutional strengthening; the establishment of the regulatory frameworks; sound financial systems; the widening and deepening of the capital market and institutional changes that are necessary to change the mode of delivery, to facilitate the private provision of public goods. What amazes me is that after October 2002, came October 2003, and we reminded the Government again in that particular budget debate not to put the macroeconomic fundamentals at risk. We had come so far and made progress.

Everybody is painting a picture of this economy and I do not share that view. I look at this Bill before us; the mix of expenditure and the signal it is sending. Furthermore, it is amazing when I listen to the hon. Prime Minister in the other place. He speaks as though the other sectors of the economy are not important. He would say yes, we need to diversify. They are so taken up with the energy sector and the vast amount of reserves, it is almost like we are tripping over black gold in this country. They are not being reminded of the picture during the 1970s which led to a serious economic decline in the country because they failed to address those issues at that point in time. That is the problem I have today.

I want to go back quickly to look at these macroeconomic fundamentals. We have had a situation in the past couple months. In the monetary report by the Central Bank, as the Minister would know there has been from 2000 to now, the

reduction of reserve requirements to ensure that we reduced that spread between the lending and deposit rates. There was an 18-month plan for the reduction of the reserve requirement from almost 18 per cent to 9 per cent to ensure that the banking sector became more in line with the non banking sector and allowing for cheaper or increasing the supply of private sector credit. With all those steps that have been taken I was amazed when I looked at the figures. We are seeing almost 8.9 per cent. If the increase in private sector reserve has moved to 8.9 per cent over the last year, is that enough? Is that telling us that expansion in the economy is taking place? With the steps that have been taken we should have seen more demand for utilization of private sector credit. That concerns me. When we are not utilizing the available private sector credit—[*Interruption*] Yes Sen. Montano, when investors are not utilizing the cheap rates available in the banking system for the expansion of their companies and the business community is not taking advantage of that—

**Sen. D. Montano:** Where would the banking liquidity come from?

**Sen. C. Seepersad-Bachan:** I said this already in this Senate, that I asked a banker where the banking liquidity is coming from. Much of it is because the investors in this country are converting their long-term deposit instruments to short-term instruments because of fear and they want to remain relatively liquid in the event that they have to pick up and leave. That is what is causing the problem of the low confidence in the Trinidad and Tobago economy. There is no investment; nobody is expanding at this point in time and nothing is being done to create or give incentives for innovations to the expansion of the non oil energy sector. It is languishing now. [*Interruption*] He would have his time to make his contribution. I would appreciate hearing his responses. I hope that he would give me the time to answer as he is doing now.

A year ago when the first finance and supplemental Bill came before this Senate, I think in June or July of last year, we made reference to the IMF report which was rather revealing. One issue that we on the Opposition Bench raised was the state of our foreign exchange. We were of the view that some capital flight was taking place. You were seeing on a quarterly basis in the report by the Central Bank, US \$200 million and US \$300 million being used to prop the exchange rate. It is amazing that today on pages 4 and 5 of this particular report, for the first time the Central Bank alludes to some capital flight taking place. It had to be a serious situation. It states:

“Some capital flight as a result of socio-political uncertainties may have also contributed to the pressures in the foreign exchange market. Against the

backdrop of strengthening official international reserves, the Central Bank intervened heavily in the foreign exchange market to maintain orderly conditions.”

I know the Senators opposite would say that the Central Bank also stated that there have been some demands because of the foreign investments being made by domestic companies. The banking sector would have put some pressure on the foreign exchange, for the Central bank to state in black and white that there has been some capital flight as a result of the socio-political uncertainty which may have also contributed to the pressures in the foreign exchange market. I quoted from the *Monetary Policy Report*, March 2004. I know that Sen. D. Montano is the intellectual guru in this House. He has all the intellectual capacity. He goes in the other place and says the same thing. He is the only one who has the intellectual capacity on that side of the Senate. So he claims ever so often. With all that intellectual capital he has been demoted three times. It is a telling tale.

I wanted to make the point that all is not well. We need to be careful about what we are doing and putting at risk. We were not surprised because there was this trend. Since last year we saw that the country had a foreign exchange supply problem. There would be a possibility of further pressure on the foreign exchange market as the US economy rebounds. The Minister spoke about the global climate and there is some rebound in the US economy. If you listen to the FED chairman, Mr. Greenspan and if you read the *Financial Times*, all over there are hints that it is possible in the next two or three months that there may be an increase in the US interest rates. For the last two years we looked at the Trinidad and Tobago stock market and in the monetary report on pages 10 and 11, the improvement or the performance of the local domestic market has been quoted. The strength of the market was due in large measure to excess liquidity in the financial system and low interest rates on fixed income instruments. The market may also have been responding favourably with a positive outlook for Trinidad and Tobago. One of the problems here is that many persons have decided to invest in our local market because of what was taking place on the international market. If interest rates should vary and become favourable, there would be further pressure on foreign exchange in this country. In addition to that, I am not sure that you would see the domestic market continuing with the kind of performance it has displayed over this last year.

The Government of the day must wake up and recognize that over this next year they may have to deal with the challenge of what is taking place globally to ensure that it continues to protect the economy of Trinidad and Tobago. If we

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continue with capital flight and to become unfavourable, relatively, if we compare ourselves with the US market, I am not sure that we would be able to maintain the kind of performance that we have been talking about. Our fundamentals are under threat. There is no expansion in the non energy sector. We see that from the evidence of the manufacturing sector. It is evident that there is no diversification of the economy. The confidence level in the Trinidad and Tobago economy is at an all time low. That comes back to how this Government is handling the economy in addition to other issues including crime.

When we spoke about second generation reform all the issues that I listed earlier, the Minister of Finance indicated that he had set up a committee and they were looking at the financial sector reform programme. They came up with a Green Paper and then a White Paper. Everything that has been reported in that White Paper, hon. Minister with all due respect, nothing is different to what was stated over the period two to three years ago. There were issues of strengthening the regulatory system and the merging of the supervisory body into the Central Bank, allowing for supervision by the Central Bank of the insurance industry and the credit union sector. Sen. Mark alluded to the upgrading of the Financial Institutions Act and amendments to the security and exchange commission legislation to ensure that there is deepening and widening of the capital market. We know that we have to deepen and widen but the only way that could happen is if we could instill confidence. That can only happen if we bring legislation that would deal with new methods for disclosure and governance issues. We have not addressed that. Until we address those issues we will not see any meaningful expansion of that capital market.

Just the other day when they spoke about iron and steel, they kept talking about participation of local investors. You cannot get local investors to participate in the energy sector if you do not deepen and widen the capital market. This must be the first step in the game. If we can achieve that we would have local investors participating in the energy sector. There would be a means to spread the risk in the energy sector.

I would go back to some of the fiscal operations that were reported here. The Minister mentioned that there was no increase in the revenue for oil or the hydrocarbon industry. I wanted to quote from these documents. This was the first estimate for 2004 delivered during the budget debate and the revision. There was not much difference between these two documents, other than there was going to be an increase in the expenditure of about \$644.8 million. The expenditure went up to \$17.057 billion.



It was claimed that there were increases in corporate and income taxes and possibly in value added tax (VAT). I want to address those because we are dealing with an expenditure of \$22.3 billion in October last year, as presented in the budget of 2004. Today, with the increase required of almost \$700 million, we are talking about \$24 billion expenditure. We need to compare that. If I go back to when the UNC was in government, the highest it ever had was \$12 billion or \$13 billion in expenditure. Here we are talking about \$24 billion expenditure and we see no expansion of the economy in the form that would produce or stimulate the production sector of the economy, or the revenue earning capacity of Trinidad and Tobago. I am concerned about that. After we spend all this, what are we achieving?

When we talk about increasing to \$700 million in expenditure, where are we getting this revenue from? We are saying that the oil price is down and there may be some increases in corporate and income taxes. Like Sen. Ali, I would like to know from the Ministers, since there are four ministers in the Ministry of Finance, if we could have some projections of the revenue streams. I looked at the monetary report and whereas Mr. Valley indicated in the other place that there were increases in corporation taxes, the report said it was because of a delay in payment and these were corporate taxes from a previous fiscal year. Like Sen. Ali, I think that the corporation taxes went up and they should have gone up considerably, because all the commodity prices have been very high. The prices of ammonia, methanol and urea have been very high.

If you have high commodity prices the companies in the Point Lisas Industrial Estate should be reaping bigger profits, hence paying bigger corporation taxes. The National Gas Company (NGC) should be paying much in corporation tax because the prices they sold at to the downstream users are tied to the commodity prices. If the commodity price goes up the gas price would also go up. As a result of that the NGC revenue stream should have increased significantly contributing to an increase in profitability hence an increase in corporation taxes. I would like to know from the Minister of Finance if the revenue streams are coming in as corporation taxes. It has to be. I hope there is a significant increase. How are they funding this increased expenditure? I would like the Minister to clarify if it is coming from the industrial users in Point Lisas.

Let me look at the oil companies. We are talking about taxes on income and profits from oil companies being at \$4.962 billion. This is a very sad state when we are looking at gas companies. We have been looking at Trains 1, 2 and 3 and high oil prices, almost as much as \$40 and over. I agree that the WTI was about

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\$38. As Sen. Basharat Ali explained yesterday, with our crude we are supposed to be fetching a higher price than the WTI. We get a substantial amount of that from the bpTT fields, once the Amoco fields. We should be realizing an even greater income from the petroleum profit tax (PPT) and supplementary petroleum tax (SPT) of the oil companies.

It is amazing to see that what we are quoting as projected revenue is \$4.962 billion and that has not been revised. Last year, I remember quoting a figure during the time of Trains 2 and 3 when it was estimated that almost US \$1 billion per year increased from Trains 2 and 3. From Trains 2 and 3 we were supposed to derive US 1\$ billion annually. I tried all over to see if I could see those figures coming back up here and I am not seeing that. I hope the Minister would be able to assist in that respect.

On page 26 of the draft estimates you would see that fees for competitive bidding of petroleum is still set at zero. We know that we just had a competitive bidding round. I imagine that revenue stream would be significant and should not be zero. The signature bonuses have been estimated at \$6.3 million. Once you have a competitive bidding round you could derive as much as \$26.8 million in signature bonuses on the signing of these contracts. I am wondering why that estimate is still so low.

I want to look quickly at the share of the profits of oil companies under the production sharing contracts. I am sure that what you are booking under the production sharing contracts is for both oil and gas. I am seeing a figure of \$50 million. I have a serious problem with that figure. This includes oil and gas, but just in Trains 2 and 3 when we had that first shipment of BG share from the north coast marine area and the Government's share which was being shipped out in December with the controversy over the Elba Island issue, BG acquired the island. I remember that the Minister of Energy and Energy Industries quoted quite specifically that there was a potential of a loss of \$60 million to the economy of Trinidad and Tobago based on that one shipment. I have to assume that was the income of the Government's share for that shipment. If I assume that you had 10 shipments from January to September of this year, I am being very conservative with that, you would have generated almost \$600 million from Trains 2 and 3.

I understand and I heard the Minister say that there have been some serious problems in terms of the write-off and capital allowances. I still want to understand what we are talking about and how much of this we have lost. By telling me that you are sticking to \$50 million, and possibly, this is all you might

realize in a revenue stream for production sharing contracts, it is a very low figure. It is becoming ridiculous to the people of Trinidad and Tobago. We need some answers with respect to that.

We spoke about royalties of \$812 million. As I remember it, we used to collect royalties of about \$2 billion to \$3 billion. There should be more royalties because Trains 2 and 3 came on stream and you would have the same licensing arrangement with bpTT and you should have been able to increase that royalty figure. I find it strange that we are talking about a projected revenue from the royalties for both oil and gas of \$812 million. If it is this figure is being depressed because of the existing tax regime, we need to do something about it. That brings me to the point that we have been talking about oil and gas tax regime for the longest while.

I remember page 25 of the budget presented by the hon. Gerald Yetming in September 2001. It was indicated that because of the same concerns we are expressing today in 2004, we recognized that there was need for revision of the existing oil tax regime and we needed to ensure that we catered for gas. I do not want to go back so much in history, but the issues are the same. The Cabinet appointed a committee. They utilized the consultancy services of the International Monetary Fund in conjunction with the Board of Inland Revenue. They examined the issue at length and submitted recommendations to simplify and rationalize the present fiscal regime to facilitate the generation of additional revenue from the gas sector.

I fail to understand that, knowing how much we are losing from this. It is difficult when we realize that we have just had such high oil prices. It is over \$40. We just had high prices for gas. Henry Hub was up to \$6 this year. We have not addressed this piece of legislation to ensure that the Government extracts its share of the economic rent of this natural resource. Why are we taking so long with this piece of legislation? While we are doing that the Government is losing revenue. What is the keep back in all this? How difficult can this be?

Sen. Basharat Ali and many others including Sen. Wade Mark mentioned that when we came to the budget statement in October 2002, the then Minister of Finance, the hon. Prime Minister said that we would have it during that fiscal year. The fiscal year came to an end and October 2003, came another budget speech. Here it is he said that by January 01, 2004, new legislation would be in place. I asked: How could you be implementing new legislation by January 01, 2004, and we are in October and we have not seen the legislation? This legislation and the recommendations have not gone out for public consultation by

all the various stakeholders. What is happening? January came and when the Finance Bill and the supplementation and variation legislation came before this Senate, again, we raised the issue.

I remember raising it because at the time south Trinidad was going through an economic crisis. There were many marginal producers and under this current regime it is not feasible for them to make investments and to continue production. Petrotrin had almost 10,000 wells available for lease farm-out. They were so under-subscribed because there was not enough incentive for local investors to get involved in this kind of arrangement. I indicated then that while they were considering that piece of legislation they should implement an interim solution to save those producers. Can we let them revert temporarily to a corporate tax regime? Let them go back to the corporate tax regime until we come up with new measures. This would revive the south economy and allow the reopening of the service and drilling companies. We might be able to increase the production back to about 10,000 barrels per day for land production.

If you do not get this legislation in place we would continue to see this decline even in the Gulf of Paria. Since January to now nothing has happened. The only thing that has happened is that these companies have closed down. There is now a crisis in south Trinidad where all these companies are no longer operating. I raise that issue because I feel that the Government needs to address that situation. The Government procrastinated too long during that time. I am asking the Government on behalf of south Trinidad to please intervene and prevent this economic crisis from becoming a further crisis. We would see the closure of more service companies. I hope that my plea does not fall on deaf ears.

**Sen. Enill:** It does not.

**Sen. C. Seepersad-Bachan:** Thank you, Mr. Minister. He said that it does not fall on deaf ears. I hope to see some action within the next couple days.

I listened to the Prime Minister in the Lower House when he spoke about a letter dated 1905 that he read when he was at Texaco. Since then they had expressed concern about the reserve position. Today, 99 years later, we are still producing and there is more. Is that why we are not realizing our potential revenue streams? They are hitting dry holes. Did we not launch a round of competitive bidding in the deep waters? What happened? We have had no success. Is that same dry hole causing the problem in today's revenue stream? I want the Prime Minister to wake up and understand that we would not continue to see black gold flowing forever. It would come to an end.

This Government continues to bank on the proven, probable and possible reserves. Proven reserves are estimated with a reasonable certainty to be recoverable under current economic conditions. That is the price and cost prevailing at the time of the estimate. I am taking this quote from your Minister of Energy. Do you know why? Because, it is possible you would go out there; there would be hydrocarbon resources but they would not be recoverable under the economic conditions. You have to be wary of that. When any investor coming to this country sends their independent gas auditors, they would only determine based on a proven reserve. They would make their investment on bankable reserves. The only way you can determine those proven reserves is by drilling that well to determine what you have. It is not done by any thread technology. We have much technology that would tell us where to explore. The hive or no hive technology would help to prove that reserve until you get out there with an aggressive exploration programme. This Government must get out there with an aggressive exploration programme to prove the reserves.

I made the point on the issue of the aluminium smelter. It is my humble view that when the investors hit this country and do their independent audit, they would recognize that there is not a 30-year reserve to production ratio, but 15 years. That would be bye-bye aluminium smelter. The point was made with the same issue of the opening of the iron and steel industry. Sen. Ali spoke last night about Nucor coming back to this country. I want to raise two issues on that. When Nucor was in this country we gave them a price of 60 cents, almost half the market price. The PNM government under the same people who are negotiating all these agreements, agreed to subsidize almost 60 cents of that gas price. The Government and NGC picked up that subsidy. Do you know what we got for it? The government was out of pocket by subsidizing that gas price. We ended up with Nucor picking up itself and leaving.

I do not know if Senators remember the day when that Nucor plant did its famous foxtrot and all hell broke loose. That was the end of it. Sen. Ali would remember that day when the conveyor belt moved. The plant never functioned properly in those days. The government of the day had to buy back the lease arrangement through Point Lisas Industrial Port Development Corporation (PLIPDECO). The government of the day through NGC had to get rid of that plant as scrap iron. They had to restore that piece of land. I want to know if Nucor is coming back to this country under the same terms and conditions. Are they coming back with a subsidized gas price?

I could never understand the PNM when it comes to economic sense. Where would you get cheap gas to fund the aluminium smelter? The only reason Alcoa

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is coming here is because they are getting cheap gas. The NGC chairman, Mr. Keith Awong has categorically stated that there is no more cheap gas because the government of the day during Train 4, fought negotiations and failed to renegotiate that tranche to ensure that there was a further gas price reduction that could be used by NGC to spur downstream development.

I hear all these issues and I want to correct, especially the *Daily Express* that quoted me as saying that the UNC government should have addressed that. I heard the Prime Minister saying the same thing in the other place, that the UNC government did not address that royalty rate that was so low on the existing agreements. I want the Prime Minister to be reminded about when the UNC was negotiating Train 1. All the licences would have expired from a period of 2010 to 2017. All those licences have been renewed at a rate of 10 per cent. The 10 per cent royalty rate kicked in at that.

When the Prime Minister makes big announcements that the PNM is responsible for the new rate, that is totally untrue. That was already negotiated in 1994 and the agreement was signed. When the licences come into effect from 2010 to 2017, they would be at a rate of 10 per cent royalty. I do not know where we are getting the facts from. That is the usual thing with PNM propaganda. The Prime Minister continues to talk about free gas that they have been able to negotiate. Under the Trains 2 and 3 agreement the then government of Trinidad and Tobago was able to renegotiate a substantial reduction in the gas price for T&TEC. That is why today, T&TEC continues to deliver electricity at low prices. I keep hearing this issue all the time and it is not true. These are not the facts. Let us get the facts right when we deal with this. When we talk about free gas under this new arrangement, I want the Government to understand that there are no free lunches. We are talking about free gas in lieu of—

**Mr. Vice-President:** The speaking time of the hon. Senator has expired.

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

*Question put and agreed to.*

**Sen. C. Seepersad-Bachan:** Thank you, Mr. Vice-President.

We have to remember that the sum of \$100 million is being spent on Union Estate in La Brea. I hope that we are not making the same mistake as LABIDCO because of the substantial amount of money that has been lost. To date not a petrochemical plant could be sited in that estate. We still have the same capping

of underground wells and the same problems that plagued the first estate plague the second estate. The mere idea that you have not been able to site a petrochemical plant in LABIDCO bears testimony to the fact that something is wrong. Money was badly spent. I want to know if the Government of Trinidad and Tobago would make the same mistake by spending another \$100 million to develop Union Estate and encounter the same problem.

I want to raise the issue of the diversification of the economy. I have no problem if this Government is increasing its expenditure based on increased borrowings. The last time when we looked at it, we were talking about almost \$4 billion to \$5 billion in borrowings to support this \$23 billion expenditure. Nothing is wrong with debt, but if it is being used to expand the revenue earning capacity of the country, that is my problem. When we look at the Heads of expenditure that we are dealing with, we are not seeing where the Government of the day is spending money in areas to expand.

I want to speak about science and technology. Let me start with the Ministry of National Security. When we look at \$132.3 million, we are seeing that is to meet increased salaries and allowances; for a specialized youth programme and the anti-crime unit. When you come to vary a budget one would imagine that one reason for doing so is because you have had emergency situations. We have had situations where police stations have been falling down, but I have seen no money to build a police station or recover another one. I see money being spent on ads on anti-crime legislation. Pass the Bills. Pass the Bills. According to Sen. Ali last night, the child probably figures it is dollar bills we are dealing with.

The first time that I saw that piece of legislation what ran through my mind is that I do not have such legislation. Probably, I missed it. Immediately I called my colleagues. Is it possible that they may have laid these Bills and I did not get them or I left them on the table? What anti-crime legislation do we have? I started calling around in a panic. Then, one of my colleagues said it is not anti-crime; it is the Police Reform Bills they are talking about. I said that is anti-crime legislation? This is what I cannot understand with this Government. It spends money on ads for propaganda, when that same money—\$5 million or \$10 million whatever—could have been used to help fight crime in this country. I do not know how many bulletproof vests and vehicles there— Every time you call a police station there is no vehicle. Who spends money on this kind of ads? We do not see or hear that.

Before I do a Bill, I like to go on the Internet to see what is happening in other parts of the world. When I punched in anti-crime legislation on the Internet, I saw stalking legislation; terrorism; increasing penalties and criminal justice system

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which would become firmer and fairer. It was nothing like the Police Reform Bill! Why are we calling this anti-crime legislation? If we want to deal with anti-crime and this Government was so serious about crime, they should have sent a message to the nation by talking about the DNA testing. When we see in the variation how much money goes into export, because we send for forensic testing to other jurisdictions because we do not have our centres, why are we not putting money in our forensic centre and improving the personnel and training? DNA testing which was proven to be 50 per cent is almost 100 per cent today.

**2.30 p.m.**

This is why I make the point. I spoke before about the energy sector and the oil revenues and we ask ourselves why we are still a Third World country. We want to be a country that is emerging out of Third World developing status to First World. We want to jump into First World status, but there is no way for that money to trickle down to the man in the street. There is no way for the petroleum dollar to become visible when we do not invest in facilities that assist the entire nation. Instead we take the very same money and we put it into all kinds of soft things—propaganda, lots of advertisements every day and glossy ads on the newspapers every day. We do not need glossy advertisements. We need to take this money and put it into physical facilities—infrastructure that we can see on a daily basis. This is what I do not understand with this particular Government. Speakers before me have spoken about it as well.

We have launched a commission of enquiry into the health sector at this time but it does not need a rocket scientist to tell us what the health sector requires right now. Mr. Vice-President, you sit on a joint select committee of Parliament with us that has been interviewing the Eastern Regional Health Authority. There are so many obvious things there. We just have to talk to the people and they will tell us. Why are we not seeing more moneys going into health facilities? All I see is money going into, the type of spending, the mix of spending are in many of these issues—wages, overtime, meeting the cost of goods and so on, but nothing in taking forward this country. That is why I have a serious problem today when we talk about how we spend money.

I come back to science and technology because it is supposed to be able to help us determine where we are going. This is how we educate our people. This is how we innovate. Mr. Vice-President, let me just show you where we are going in terms of science and technology: On-the-Job Training Programme and National Training Agency, Youth Training and Employment Partnership Programme—the sum of \$12 million and \$16.8 million on this.



Many people who are being used in these programmes are performing scab labour. They are really achieving nothing. Unless they provide incentives—and this is where the money must go if they want to increase expenditure. I have no problem if they borrow money to do this, but put it into tax incentives that will encourage people to train and to develop. I have spoken to Sen. The Hon. Ramroop and Sen. The Hon. Enill. At one time, I brought a number of documents on how the various states, even in the United States of America, are right now trying to hold on to their little industry by providing tax incentives for people who want to train and I passed them to Sen. The Hon. Enill. They train one and the government picks up the next one or they give a 150 per cent write off on that and you can carry forward the tax loss.

When they do not do that, they can end up training many people, spend a lot of money on the University of Trinidad and Tobago, but end up with a supply but no demand. If they do not provide incentives to get the industries started in innovation and technology, nothing will happen. We must have some mechanism to absorb all the people they want to train. I am seeing a supply side, but I am not seeing the demand side.

We brought an Accreditation Council of Trinidad and Tobago Bill recently, looked at it and said that this was one way medical technology and all the other areas, you accredit them, get people trained, they can now employ themselves, they can even fetch employment throughout the region, but what is happening on the other side where you want to stimulate industrial development in a particular technology, in a particular knowledge-based industry? Are you giving enough tax incentives? That is why I always say that the cancellation of that Science and Technology Park was a great mistake by this Government. They failed to understand the concept. The concept was to be able to give you a supply and demand. As the supply comes, you grab, therefore you would always have that demand to train people. That is how you will diversify the economy of Trinidad and Tobago and be able to shift away from the energy sector.

Mr. Vice-President, I am not sure if we understand a lot of this. I looked at it even with the Venture Capital Incentive Programme. I am seeing that the government is pushing on the supply side, providing much venture capital and giving incentives for the supply of capital, but there is still a need for the innovator to become a shareholder and hold equity. He still has to face the bank for debt. Even if he goes to the Small Business Development Company, he still has to look at this loan.

So when he goes with this debt financing, which has a long pay back period, in an industry like that, which needs the seed money, you are not achieving

anything. I make this point because it is important, Sen. Montano, that you deal with these issues if you are talking about preparing for your 2005 budget. We are not seeing the diversification in this economy and that is why we are at a standstill. Everything is revolving around the energy sector.

Mr. Vice-President, I share the view of Sen. King yesterday that the Ministry of Science, Technology and Tertiary Education has to understand and know how to structure this whole education and training drive it is on. They have to separate the academics, the graduates from the technologists, the technicians and the craftspeople. We must understand that structure and how they fit together. They cannot have one university supplying everybody. This is why we came up with the concept of the community college. They need to re-examine the concept of the community college.

I wanted also to deal with Parliament because based on what has been happening, I note that moneys were passed in the supplemental bill for the operation of the Lower House and I heard Sen. King say that she thought it was for the committee system. That is not for the committee system. My understanding is that it is for the maintenance of constituency offices. There have really been no additional moneys provided for the committee system of Parliament to work. I make a plea that if we get the committee system to work in this Parliament, then they must be provided with the resources they require to work effectively. The same money they will spend on a commission of enquiry into the health service, if they provide the same resources for a committee system here in the Parliament—the very same joint select committees—I am sure they would have the results much faster. Their exercise would have been expedient.

I also noted, under Parliament, moneys were removed for the restoration of the Red House. It was over \$9 million. Let us be careful. I wondered, when I looked at the Red House, why the pace of the restoration had slowed down. Sen. Prof. Ramchand, I think what is going on here is that there is a rethink on the issue of the Red House. That is why we are not seeing the restoration work going on. That is why there is the removal of that sum of money in accordance with this variation bill.

We should have restored the south end. It is true that we are housed here and there are some constraints, but we could have continued to restore the Chamber at the southern end of the building, at which time the Parliament could move to that Chamber and allow for restoration to continue here. I wonder if there is a rethink and this is why.

I close by saying—and I quote from the IMF report—let us not make the same mistake we made in 1970. This boom will not be here forever. This is a boom, a blessing from God. Let us manage this with fiscal prudence and with responsibility. Let us be careful that we do not do what we did then, when we had the crowding out of the non-energy sector, which was quoted in the IMF report. Let us be careful of that Dutch disease. The Bill before us here represents the same pattern of expenditure that we have been warning against. There are really no moneys being spent in the capital formation of the economy. There are really no moneys being spent in developing the revenue earning capacity of this country and in the diversification of this economy. I thank you.

**The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo):** Mr. Vice-President, I would first deal with the issue of taxation because it is a valid concern. We would agree that in the budget presentation, we indicated that legislation regarding reform on oil and gas taxation would have been brought at that time. However, the consultants we had recruited to undertake this review, when the report was presented to us, we were not fully satisfied that it would have been in the best interest of the people of Trinidad and Tobago. In other words, it was inadequate and it did not address all our concerns.

Given the significance of the revenues from the taxation—

**Sen. Ali:** Mr. Vice-President, I would like to ask, as I said yesterday, if you are dissatisfied with a consultant, whether there is a retention sum on the contract of that consultant?

**Sen. The Hon. C. Sahadeo:** Mr. Vice-President, regarding the retention sum, generally when you deal with certain types of contracts, you would have retention sums. As far as I am aware, there are no retention sums available.

**Sen. Ali:** Mr. Vice-President, as far as I know, with all contracts you can retain a sum until you get a final report.

**Sen. The Hon. C. Sahadeo:** Mr. Vice-President, regarding aspects of service contracts, as you can appreciate, whether or not you can argue that reliably in a court of law is of some question. As far as I am aware, we did not agree with the contents of the report. As a matter of fact, we said that it was not in the best interest of the people of Trinidad and Tobago and we did not address the recommendations of that report.

Much has been said, as I indicated, regarding the reformation in this area. I want to say very clearly that much work has been put in during that time and up to

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the present time. I heard Sen. Seepersad-Bachan indicating that nothing has happened. Well, at this time we have more or less put together quite a lot of reform measures and these, of course, must be discussed with the various players.

As you would appreciate, Mr. Vice-President, we have different types of taxation. We have the exploration and production licences and we have production sharing contracts. As you can appreciate on contracts, you cannot change these willy nilly. They have to be, if possible, renegotiated. Regarding the taxation, as we all know tax is both an art and a science. It means that the players on both sides try to minimize either tax payment on the other side and, on our side, you look to maximize revenues collected from taxation. It means, therefore, that we must re-look the legislation.

I want to refer to an item, which says that at the time of the enactment of the Petroleum Taxes Act, there was no provision for the taxation of natural gas with the result that allowances in respect of gas production are granted against crude income for SPT purposes and that income from natural gas is not subject to SPT. This obviously is an anomaly in the legislation and needs to be revised in order to generate an appropriate revenue from natural gases. May I add that there has been no change to the oil and gas legislation since 1980?

I put it to this honourable Senate: How were our colleagues on the other side? Was anything done during that six years tenure? Therefore, on the concerns that were raised today, though valid, we must understand how technical and how critical it is, when we renegotiate these new arrangements, that we take into consideration how this country is viewed in terms of investors. I mean that we do not just get up one Monday morning and say that we are going to implement a change in the taxation in oil and gas. Therefore, maybe, I should apologize—

**Sen. Seepersad-Bachan:** I thank you, Minister, for giving way. Did you look at the recommendations that came out of the Cabinet appointed committee? First of all, the gas prices and the prices during the time you are referring to, 1995—2000, were depressed and there were some recommendations for their review, one of which was how to include the gas in the taxation regime. Can you comment on that, please?

**Sen. The Hon. C. Sahadeo:** If I understand the question, it was: Did I look at it? I am saying that the issue was: Was any change in the legislation made so that we could have taken advantage of that opportunity of getting additional revenues?

Probably I should take a minute or two to analyze what resulted in the shortfall in revenues from oil and gas. Firstly, we had a reduction in the revised

projection as a result of a reduction in the barrels of crude oil sold, from 29.3 million to 26.5 million. Albeit there was a shortfall in the production, we agree that there was also an increase in the price, but the end result was a 10 per cent only increase in crude income. This factor caused the SPT liability to be increased by more than 200 million.

Secondly, the projection for volume of gas to be sold daily fell from 2,450,000 to 1,965,000 mmcf in respect of the period January and projected to September 2004. Offsetting this reduction in volume, however, is the price, which is now projected at US \$1.91, instead of the original US \$1.20. The combined effect of the reduction of gas sold and the increase in its price had a positive effect on gas income, increasing it by \$1.1 billion.

Thirdly, the operating and miscellaneous expenses increased by approximately 50 per cent, having an effect of reducing petroleum profit tax (PPT). Finally, due to the increased exploration activity, capital allowances to be claimed during this period increased from the original projection of 33.3 per cent. The fact is that we have absolutely no control on the amount of capital expenditure by these oil companies. What you find happening when there are high prices for oil, is that it is an incentive for these companies to expend large amounts of moneys in capital expenditure as it is an efficient measure of taxation planning in their regard. I think that everybody here and certain people who have worked in the energy sector may recognize this.

What you find happening then is that all of these have contributed to the fact that we are not getting the anticipated revenues from the oil and gas sector. It means, therefore, that it is imperative that we bring, as soon as possible, the changes in legislation to ensure that this country benefits from the increase in prices of these commodities and therefore it means that, as a country, we will benefit from these increased prices.

**Sen. Ali:** Mr. Vice-President, I have a question on the last statement made by the hon. Minister regarding taxation and expenditure. Could the hon. Minister say how many oil companies are under the regime of licences and how many under the regime of production sharing contracts? It makes a big difference.

**Sen. The Hon. C. Sahadeo:** Mr. Vice-President, I do not have all those details, but I can assure you that we are analyzing companies and all the information we have related to how many are under production-sharing contracts. It is not easy just to list because one company may have a combination. It is all being analyzed at this time. We are doing a thorough analysis in this area. I can go

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on about taxation regarding the oil and gas regime, but I think I have said very clearly that reform is required and we agree that it must come soon to this Senate.

The other area of concern it appears is with regard to the White Paper. Some comments were made earlier that this was about for quite some time. I assure this Senate that when the Green Paper was introduced, we took it to the various institutions and got feedback. We had several consultations with all the relevant stakeholders and we got feedback. We ensured that from information given to us, recommendations were distilled and therefore it meant that these were then diagnosed and we agreed and determined what should be included.

I want to say categorically that we met with the stakeholders, including the banks, the insurance companies, mutual funds, credit unions and at this time we have been reassured that they have full support. This is before Cabinet and should be presented to the Parliament before the end of June. I congratulate those who have worked on the White Paper. It certainly meant a lot of hard work, but I think it will bear fruit, as the financial reform is critical.

While I am on that, I think we all would agree that Trinidad and Tobago has a strong financial sector in which our commercial banks dominate the financial system. Our financial institutions have proven themselves to be competitive, visionary, and leaders in the Caribbean. They have expanded regionally by establishing branches throughout the Caribbean. With the advance of the Caribbean Single Market and Economy, they will be well placed to reap the benefits of this market.

A while ago, we heard that in the monetary policy report of the Central Bank, the Central Bank had to intervene because of the capital flight. The Senator really seemed to have failed to understand the report. If that report was read—and certainly I believe that it was very clear—what was said was that a lot of funds were raised on our market to support some of the islands and primarily that it resulted in the Central Bank having to intervene. This is no secret. I think the report was very honest. It also indicated that there was some other capital flight.

We shall not here disagree with the Senator, but I believe that when we sit in this Senate, we should make sure that people hear what is correct and Senators do not take small segments of information, which are not correct, and feed it to the public.

**Sen. Seepersad-Bachan:** Mr. Vice-President, I want to repeat what I am saying. I said exactly what the Minister said and that is that a lot of funds were raised on our own markets for investment in other islands by the banking sector. I

did not read from any other document—I read from this—and that there was some capital flight as a result of socio-political uncertainties. I did not say anything different.

**Mr. Vice-President:** Madam Minister, please continue!

**Sen. The Hon. C. Sahadeo:** Thank you, Mr. Vice-President. You know it is always convenient. The old people say that what you “ain’t” say is important. Too often we take a molehill and make a mountain. That was the intention and therefore my point here is that when we make statements we should ensure they are accurate and that they add value.

I repeat that the intervention here was because so much funds were raised on the Trinidad and Tobago market to support the other Caribbean territories. May I add that when you want to enjoy the status of a financial centre, one of the prices you pay is precisely that?

Trinidad is still a small island and we are a developing country and I must say that so far we have maintained a relatively stable exchange rate and we need to be duly proud of that. One of the issues raised earlier was regarding BWIA. Sen. Mary King, I think, who is not here, asked where exactly we were going in this direction. It is no secret that Government intends to position Trinidad and Tobago as the hub for the Caribbean and Latin America. We see our national airline BWIA as one that will create linkages with the Caribbean and Latin America. Government is therefore committed to supporting BWIA in this regard and provision has been made for the funding of the airline in the amount of \$63 million.

Let me clarify this a bit more. During 2003 and 2004, Government was required to provide assistance to the airline and this was done by way of Letters of Comfort to financial institutions, which enabled BWIA to access in the amount of \$196 million. Government has committed itself to underwrite up to US \$40 million with respect to the rights issue. The funds from this issue will be used by the airline to retire the debt guaranteed by the Government and to make payments on critical past due accounts. In the event that none of the existing shareholders pick up this issue, then Government will be required to fund it and it is in this regard that we have provided US \$63 million and that is the amount, which has been included in the budget.

One of the concerns raised is where are we with Caroni (1975) Limited. May I add that the bill for the vesting of lands of Caroni (1975) Limited is also scheduled to be brought to Parliament? What does this mean? It means that this

will enable Government to keep its commitment to the former Caroni (1975) Limited's workers to give priority as regards the selection and distribution of land. It will also allow us to provide for the management and the development of business thereon, particularly in the heavy and light industrial, housing and agricultural sectors.

Mr. Vice-President, while I am at it, where are we with Caroni (1975) Limited? I want to state that we have settled many of the commitments made at that time. That includes the payment of severance benefits, the payment of monetary enhancements, the passing of legislation to increase the tax-exempt lump sum and the recalculation of severance benefits re. renegotiations of the new collective agreement.

We have so far conducted much training and you would have seen many advertisements in the newspapers regarding the various training modules which have been set up and enjoyed and participated in by the ex-workers of Caroni (1975) Limited. I also made a public comment that I believe more of the ex-Caroni (1975) Limited workers should participate and they have embarked on an ambitious programme of actually reaching the people and advertisements have been placed so that the ex-workers would take advantage of the various training opportunities and, therefore, it means that they would make themselves more employable in the future.

**Sen. R. Montano:** Mr. Vice-President, could the Minister say how many of those persons trained in Caroni have actually been employed? How many are being trained and how many of the trainees have been employed?

**Sen. The Hon. C. Sahadeo:** As you can appreciate, Mr. Vice-President, I would love to answer that offhand, but if I check my documents, approximately 50 per cent of the monthly-paid employees have been trained, whereas only 25 per cent of daily-paid employees have been trained. It is in that light, firstly, that I made my comments because we were really optimistic that more of them would have taken advantage of the training. Right now an agency has been established to synchronize the people who have been trained, with job opportunities and this is very much a proactive state. In other words, we are marrying, right now, those people who are equipped in various skills and trying to assist them in seeking employment.

As you can appreciate, I will not have the actual figures with me at this time, but if the Senator wants, he can pose it as a question and I will answer.  
[*Crosstalk*]



**Mr. Vice-President:** Hon. Senators, I would like the Minister to continue her contribution. She has had no fewer than six interruptions. I will not permit any more.

**Sen. The Hon. C. Sahadeo:** Probably I could refer to some notes I have here in terms of the various programmes we have offered. We have had group counselling to these employees at a cost of \$206,000. We have had financial advisory services. Remember that at the end of the day, and I want to mention again that we are trying to create entrepreneurship. Saying how many persons have been employed, probably, is a retrograde step because really what we are saying is that much effort has been made in terms of creating and training our people to develop their own business and creating high levels of entrepreneurship.

Mr. Vice-President, I would have loved to go on, but my voice is giving me trouble. I thank the Senate for the opportunity to comment on this Bill.

**Sen. Dr. Jennifer Kernahan:** Mr. Vice-President, thank you for giving me the opportunity to make a few remarks on the Bill before us. As usual, when the Government comes before this Parliament with a supplemental and appropriation bill, we hear them advance the usual platitudes—all is well in the kingdom; the people are happy and well-fed and we are blessed with benevolent and caring rulers. I beg to differ.

I notice that the hon. Minister waxed pretty eloquent when he spoke about improved savings and investments in this country. He spoke about the establishment of physical infrastructure, a competitive national economy and a business climate of confidence. Although I may disagree with him on some of these issues of transparency, which I will deal with later on, I am forced to agree with the Minister that under this regime, several sectors of the national economy have shown admirable growth and expansion and we must congratulate the Minister with respect to these sectors that are enjoying this growth and improved business confidence that he spoke about.

I would like to identify a number of the sectors that I can totally agree with the Minister, have been showing admirable growth and are enjoying business confidence. First, I would say that I believe that the expansion of these sectors of the economy was a direct response to the Prime Minister's call to develop a class of entrepreneurs and businessmen in the East-West Corridor. In the run up to the last general election, he actually vowed to bring the young people out of dependency and unsustainable jobs and to make them into a class of entrepreneurs. So I would attribute the growth in these sectors to the Prime Minister's commitment to developing these particular entrepreneurs.

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The group I would like to identify that has shown admirable growth, is the entrepreneurs involved in kidnapping for ransom. According to the last report of the Police Welfare Association, this particular sector grew by over 11 per cent over the previous year. This is admirable. I congratulate the Minister of Finance for growth in this sector.

Mr. Vice-President, these entrepreneurs have shown their skill and innovative approach to business; that gender, race and age are not problems. They have recently resorted to kidnapping three-year-olds. It shows the skill and ingenuity that they have developed. They sent a woman to collect this child from her kindergarten. They are doing well under this regime.

The second aspect of our national economy that has shown tremendous growth over the past few years is the contract killing industry. It has shown a certain amount of growth. Every day we see reports of, in broad daylight, people walking up to other people and shooting them in their heads. These people do not wear masks anymore. They are totally fearless. They walk about the streets with their guns in their hands. Even in the small village where I live, there have been incidents of gunplay. The people who engage in this industry do not even care about the police because there have been incidents in my village where there has been gunplay. They came to shoot a particular resident right near the police station. They came with their guns, entered the house and there is gunplay right next to the police station. So they are fearless individuals, who have taken this particular industry to a new height, to the extent that in the same report that I referred to, there is a 45 per cent increase of serious crimes in this country, including incidents with firearms. This is another growth industry for which I congratulate the Minister.

Another serious industry that the Minister would express all this business confidence in its growth, is the sale of guns and ammunition. Any ordinary person in this country is horrified that young people have access to guns at prices ranging from \$300 to \$3,000 according to the type and if you get ammunition with it or not. These instruments of terror, death and destruction are freely available in our communities. In fact, there are so many incidents. I have read of an incident recently in the newspaper where a young man was putting in his ammunition and playing with his gun when he accidentally shot a young girl. There are so many instances of that. In Laventille, a young man shot his younger brother because these guns are freely available. They are distributed in centres of religious learning in this country and everybody knows about it. Every Friday, you can collect your particular brand. That is also a good growth industry under this regime.

Mr. Vice-President, another business sector, which shows a lot of confidence is the exchange—I do not know if you are aware that the Government has a micro-credit industry enterprise established in the communities. Apparently, one aspect of the micro-credit industry is a bartering system whereby young men in the underworld can barter guns for URP gangs. I do not have the facility of a magic mailbox like my colleague, Sen. Mark, I get in my car and go back to my hometowns, Gonzales, Belmont; to Diego Martin, my old stomping grounds and talk to people who talk to people, so I get what is happening in these communities. Just Sunday, I was told about this young entrepreneur, who is very happy with the way business is going because he was able to exchange two guns for five gangs. He is a very happy man.

**3.15 p.m.**

These gangs are obviously ghost gangs. Sen. The Hon. Dumas spoke about the changing of cheques. What happens is that the individuals change their cheques. The cheque is worth \$500. The person who gives you the “job”, because you do not work, gets \$300. That is how it works. Individuals change their cheques. They are noted as having worked on gangs that do not exist. No work was done. They collect \$200 and give the entrepreneur \$300. This is a very good business. I would like to ask the Minister what is the basis for deciding whether two guns are worth five gangs? Is it the price of labour or the price of the gun? I would like to know how that is worked out. It is a good business.

Mr. Vice-President, you know we also have the good-cop/bad-cop syndrome in this country. There are the good cops who would go out there and get the guns and carry them to the police stations. They would confiscate the guns and ammunition. There are the bad cops who would rotate these guns back into the communities. This is a type of revolving loan. It is very good business, because when these guns go back into the streets they are traded for more gangs. I believe this is pretty good business that rakes thousands of dollars for entrepreneurs every week. It is very enterprising. I would like to know if the Minister is going to factor in the whole question of inflation and cost of living into the bartering process. That would be important for any young, enterprising businessman. The fact that cost of living and inflation has gone up, he would like to know if he would get more gangs for the two guns. This is something that the Minister would have to take into account.

Another important sector of the economy that has grown, under the PNM Government, over the last two years, is the export of cocaine in diplomatic pouches. This is an extremely important industry. I would have imagined that

these very young, innovative and enterprising entrepreneurs would have started with one pouch to New York. They would have started with one country, back and forth, with whatever they bring in the pouch. They would have said: “Why not expand to London or Montreal? It has grown over the years. It is a very lucrative business. We spoke about the good-cop/bad-cop syndrome. The cocaine that would have come in from the streets would be revolved and placed in the diplomatic pouch. These are sustainable jobs. A sustainable industry has been built. Cocaine is coming in and going out. These are the growth industries for which I would like to congratulate the Minister of Finance. These are the people who are showing business confidence.

I listened to my colleague, Sen. Seepersad-Bachan. She indicated to this honourable Senate, that in the legitimate business community, there are low rates of investment and capital flight. People are keeping their money in short-term investments because they have no confidence in the long-term viability of investments in the country. Therefore, legitimate businesses do not have this level of business confidence that the Minister spoke about. I am certain that the entrepreneurs that I identified are very happy with this regime. They are very happy that this regime is in power with whatever long-term plans they have for expansion. I suppose they would have worked out a five-year plan until 2007. They would see where they would go after the UNC comes into power. I do not think they have much expectation after 2007. We will deal with that when we cross that bridge. [*Interruption*] I would have to consult with my colleague, Sen. Seepersad-Bachan, about the measures the UNC will take with respect to these entrepreneurs. It is all of a kind—This is the type of business and growth that has been encouraged and fostered in this country.

We have had kidnapping grow by more than 11 per cent, in spite of the Anti-Kidnapping Squad. Should I say because of the Anti-Kidnapping Squad? I do not know. Perhaps, if I go any further in that, I would also need a bodyguard to go to Cumuto tonight. I will not go there. No one is fooled. We are not amused or fooled. Even in the sleepest villages in Cumuto, people are afraid for their lives. They were forced to come out in their hundreds, to indicate to this Government that they are afraid and feel that crime is the number one problem that we have in this country today.

With respect to the feeling of the young people and the general populace, the problem we have with crime in this country is that people have lost confidence in the police. Normally, as a citizen, when I am driving, I see vanloads of policemen patrolling with guns. I do not know if I should be reassured, relieved or happy that

there are police patrols on the streets and I have police protection. I do not know if I should be scared that one of them will blow my head off if I open my mouth against any travesty that I observe, with respect to their conduct in the affairs of this country. I do not know. That is the root of the problem. We do not want the Minister of National Security to bash the police. We want him to get rid of the rogue element in the police force, so that the confidence of the people in the country would be restored and we could have proper communication between the people and the police in order to solve crime. Police do not solve crime up in the air. Police solve crime by investigation, interaction with the population and information. Unless the people are prepared to feel comfortable talking with the police and not feel that if they talk to a police, the next morning someone else would come and knock down their door because they know right away what was told to the police with respect to the confidential information that were given to the police. That is spinning top in mud. The confidence is what we have to restore. We have to get rid of the rogue elements. Unless we do that, we are going nowhere fast. *[Interruption]* This is the problem we have in the country. No amount of legislation—

**Mr. Vice-President:** I would prefer if you do not disturb Sen. Dr. Kernahan.

**Sen. Mark:** Yes, Sir.

**Sen. Dr. J. Kernahan:** What is amazing is that we have come to such a pass in this country. The Minister, when he was winding up, seemed excited about the Government being in the vanguard against crime and corruption in the country. I do not know what excited him so much. The reality in this country is that, in spite of the Government being in the vanguard of the fight against crime and corruption in the country, crime is spiralling out of control; to the extent, where there are business leaders—I saw in today's newspapers DOMA has teamed up with Minister Rowley—who formed themselves into a so-called “community for action against crime”. They have bestirred themselves.

Imagine people who are normally laid back, comfortable behind their gated communities and comfortable with their Pit Bulls and attack dogs, have actually bestirred themselves to come out and form a community organization, with the purported aim of fighting crime. This speaks volumes for the fact that they have absolutely no confidence in the Minister of this regime to fight crime, so they have to come out and fight it for themselves. The committee mentioned the measures they will be taking. They will be approaching other community groups. They will be putting out a lot of anticrime propaganda in communities and will be calling on the populace for a return to moral and spiritual values. People are

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desperate. They will try anything at this point. They do not know where to turn again, because they have given this Government—we have seen the kind of industries and growth that have taken place under this Government. They realize that there is the need for redress. There is no solution under this Government. They are taking matters into their own hands to solve this problem. This is a tremendous blow and statement, in the face of two Ministers of National Security over the past two years. We are spiralling downhill fast.

Mr. Vice-President, obviously, it is no wonder. If you have a government in the vanguard against crime, and included in this vanguard are some of the most notorious criminals and gang leaders that have passed through this country, what do you expect? The Government is in bed with the Jamaat al Muslimeen. Mark Guerra, deceased, was one of the most notorious bandits that have passed through this country. He is one who has sucked the community dry. Those are the ones who have appropriated all the funds that were to be directed to the poorest people in the communities. They amass all these funds by terror and force. They forced persons to hand over their cheques and give them \$300 every week, in order to amass wealth, guns, cars, houses and drugs. These are the people whom the Government has elevated to the post of community leaders and role models for the children of the communities. I am not surprised that the Government is in the vanguard against crime. The criminal element is with the Government in the vanguard. Crime is spiralling out of control, surely as day follows night.

The Minister spoke of transparency and equity. I wish it were possible for me to agree with these sentiments. As I said before, I live in the real world. I do not live in the world of gated communities, security gates and access codes. I live in a farming community with ordinary folks who get up at 3 o'clock or 4 o'clock on mornings to go to their gardens to attend to their animals. I know and feel every day, the pain and suffering of farmers: the real entrepreneurs of the country, who get absolutely no support from this Government. These livestock and tree crop farmers are producing. They continue, year in year out, to produce food to carry to the markets to feed the people of this country, under the most tremendous hardships and disadvantage. Two Ministers of Agriculture, Land and Marine Resources have imposed their brand of incompetence on the Ministry. The farmers are still there.

The PSIP of 2004 spoke to—of course, there are always platitudes—the development of the agricultural sector being critical to the achievement of sustainable economic growth. The sum of \$15.5 million has been provided for the physical infrastructure. The investment plan for the fiscal year 2004 includes \$7.5

million for the construction and rehabilitative maintenance of approximately 16 kilometres of agricultural access roads.

Mr. Vice-President, you would know that agricultural access roads are the lifeblood of farming. Unless you have proper building and maintenance of agricultural access roads, the farming communities hands are tied. In my area, in spite of the \$7.5 million allocation in the 2004 budget, for the development of agricultural access roads, there are so many agricultural access roads that are being washed away. Farmers who have acreages of portugals and oranges are unable to get to their land. They are unable to get fertilizers and the wherewithal to develop and establish their fields. They are unable to get their produce out. This is, in spite of the \$7.5 million, supposedly allocated to agriculture and the access roads programme. This is not only in my area. Generally, farmers all over Trinidad and Tobago are bemoaning the fact that the problems continue in the agricultural sector; in spite of the so-called commitment to agriculture and the moneys allocated to the sector.

I would like to quote from this document from the Agricultural Society of Trinidad and Tobago and the Caribbean Agricultural Business Association, dated March 18, 2004. This is a farmers' programme. I would quote some of the problems that farmers are complaining of in 2004, after so much money was allocated towards the sector. Some of the problems that farmers are complaining about are the question of land tenure. They have problems getting State lands. They are complaining about praedial larceny, water availability, access roads, land preparation costs, availability of markets, preparedness of the sector for free trade, limited air cargo space for export of agricultural produce, lack of satisfactory monitoring of imports, the evaluation of the effects of imports on disease spread, preparedness of the Ministry to respond to disease outbreak, the negative impact of free trade on the sector, low level of farm mechanization, lack of a crop insurance scheme and an absence of a functioning pesticide and disease control board. These problems have not been in any way alleviated under this regime, after two Ministers of Agriculture, Land and Marine Resources, who have tried their hands at the job.

Mr. Vice-President, I am going to relate this to the decreased allocation for agriculture, as presented to the Senate. The decrease speaks directly to the problem that I have just read. The decrease, that is presented here is over \$1.9 million, from the Agricultural Technical Assistance Programme. The Agricultural Technical Assistance Programme began in June 1996, with an IDB loan of US \$9 million and Government's counterpart funding of \$2 million. This has been

extended to June 2005. Funding of \$13 million was allocated to continue the provision of technical assistance, under the agricultural business and land administration component, as well as to conduct a feasibility study of the Hillsborough Dam in Tobago. However, because of the delays experienced in the commencement of three contracts under the land administration component, there was a reduction in the project expenditure in fiscal year 2004, to \$11.1 million. Effectively, a decrease of \$1.9 million was effected from the Agricultural Technical Assistance Programme.

The relevance is that all the problems that I enumerated were due to be alleviated under the Agricultural Technical Assistance Programme. I will read to you, remarks in this same forum by Pat La Borde Grant, of the Ministry of Agriculture, Land and Marine Resources. I quote:

“The Agricultural Sector Reform Programme is aimed at arresting the decline of the sector. Its objectives thus include the following areas:

- increased security for farmers in relation to praedial larceny;”

That is a serious problem that the farmers have enumerated. The \$30 million was meant to implement the programmes that we started, under the UNC, to curb praedial larceny. We took very serious measures to curb praedial larceny. These have to be ongoing. They have to be funded. I continue:

- “• land reform: new agricultural lease developed;”

The farmers spoke of this problem in their forum, with respect to how long it takes for agricultural leases to be obtained. Some persons waited as long as 14 years for the agricultural lease to be granted. New systems have to be put in place. This is why the Agricultural Technical Assistance Programme spoke to these problems and was funded for that.

- “• Consultants have already completed a strategy for the development of the agricultural sector.”

The development of the agricultural business is important. If you have a productive raw material sector, you must develop an agricultural business sector, to ensure that you do not have the wastage of raw materials, which the farmers produce every year. It continues:

- “• The aging farming population;”

This should have been addressed under the Agricultural Technical Assistance Programme, and the so-called Youth Apprenticeship Programme in Agriculture was the regime’s way of dealing with that.



- “● The establishment of several working groups to provide wide participation in the sector’s development planning process was also established under the Technical Assistance Programme as well as the Agricultural Census.”

Mr. Vice-President, these are the very problems that the farmers have spoken about, as recently as March 2004. The funds were allocated by the Ministry, to alleviate some of these problems; to carry the sector and productivity forward; to build the access roads, markets, stations; to process and export agricultural goods; and to grade and sort. These are the areas that have not been given proper priority in the Ministry of Agriculture, Land and Marine Resources, under the watch of the present Ministers. Having been neglected, moneys were not spent to improve the lives of these farmers. Moneys were returned to the Consolidated Fund. This is a travesty. This is a very serious blow to the already suffering agricultural sector. The farmers, when they understand what is happening, are going to be even more demotivated and de-energized to continue the vital work of producing food in the country.

The irony of this situation is that, while we continue to pussyfoot with the funds that have been allocated to promote agriculture in the country, this Government has moved, with amazing alacrity and speed to inject/allocate funds to destroy agriculture in the country. I refer to the allocation of \$30 million that have been made available to Caroni (1975) Limited in this provision. This is what is stated in the document I have before me. The sum of \$30 million is for the provision of subsidy payment for the 2004 sugar cane crop, to increase the guarantee price for farmers, payment of incentives for operation of external scales, transportation of cane to the factory, maintenance of access roads and traces, provision of support for fertilizers and proper control. The sum of \$30 million that has been allocated to Caroni (1975) Limited is a positive scandal.

What has happened, as we have enunciated in this Senate already, is that in the Government’s haste to decimate Caroni (1975) Limited—to go ahead at all cost and full speed in sending home more than 10,000 sugar workers, without putting the machinery and mechanisms in place for an orderly transition of the development of the company into other diversified crops—totally neglected over 30,000 acres of Caroni (1975) Limited’s lands, which were under sugar cane cultivation. Because of that total neglect, during the whole process of transformation; which they did very quickly, the 30,000 acres of land were overcome by froghopper infestation, which spread to other private farmers’ lands. The canes were left without any attention. There was no attention and maintenance of these acres of cane. The access roads and drainage facilities of the

30,000 acres of land were in total disarray. We spoke of this already in various contributions in this Senate. It was a virtual impossibility to pass through these lands. The canes were practically irrecoverable, because of total negligence.

The expenditure of \$30 million was a salvage operation. These moneys were spent ad hoc to private farmers. People were given Caroni (1975) Limited's machinery to recover these lands. People were given bags of fertilizer, at the last minute, to fertilize the canes. Large sums of money were wasted on canes that were not recoverable. Moneys were also wasted on fertilizers at the stage of crop, which was not necessary and also on the manning of the scales. The organization, which traditionally manned the scales, organized the crops and made sure that the crops were run in a smooth manner and that the canes were sent to the factories in an orderly manner, they made sure that the private farmers' canes did not pile up in the fields, this was no longer in train. There was total chaos at the scales. There was total disorganization. Different cane farmers' organizations manned different scales. There was a lot of discrimination. We predicted all of that. I would go into more detail when we come to the Motion on the Adjournment. Suffice it to say, the \$30 million allocation is an absolute scandal. It is good money thrown after bad.

They refused to deal with Caroni (1975) Limited in an orderly and transparent manner. What is the hurry to send home more than 10,000 sugar workers, without the necessary infrastructure in place for them to continue their lives in a sustainable manner? What was the rush? Why could the Government not put these mechanisms in place, along with a phased out mechanism, over two or three years, in order to ensure an orderly transition? Other countries have had to do it. Cuba has had to downscale its sugar industry, in light of international conditions. They did it in an orderly manner. They trained workers while they were working. They trained them in other aspects of the industry. They allowed them to go to school. They were paid to continue their training in other technical aspects of industry and in downstream industries from the sugar industry. They are developing their downstream industries in the area of alcohol and ethanol. It should be done in a manner that would not dislocate whole villages.

There are over 40 villages that are directly affected by the massive unemployment of workers. Some of them have gone home with as little as \$5,000 and \$6,000. They have families to feed and children who need an education. When the Government does this type of thing how—on the one hand they talk about solving crime and being the vanguard against crime—can they send home 10,000 workers? Their children cannot attend school in order to obtain an

education. The Government wants to be the vanguard to fight against crime? There is a huge credibility gap between what this regime boasts about, namely the ideals, high flung words and platitudes, and their actual performance. The Government's performance is always negative and against the welfare and well-being of the citizens of this country. As I said before, this regime is concerned with its own survival.

Mr. Vice-President, we are concerned that this \$30 million actually represents a lethal injection into an important part of the agricultural industry. We are concerned that the priorities of the Government seem to be destruction, rather than reconstruction. The Government takes away over \$2 million from the regeneration, productivity and reconstruction of the industry and injects \$30 million to preside over the destruction of the sugar cane industry.

Our farmers are in no man's land. I do not know where they expect to go or how they see their future in this country. It is not to say that our people are not a productive people, or we do not work hard and are capable of great efforts of production. In this document, *Review 2003*, it boasts about the productivity levels of this country. It speaks about how people perform if given the chance. I quote:

“During calendar 2002, the level of productivity as measured by the all items index of productivity for all workers in all industries rose by 11.9 per cent, from an 8.2 per cent increase, recorded in 2001. During the first quarter of 2003, productivity expanded by 18 per cent, from 15 per cent, recorded in the previous period, as productivity levels in the majority of sectors improve.”

Our farmers and workers in this country can produce, if given the chance and if moneys are channelled in the correct areas and not allowed to be appropriated by the criminal elements. If young people are given access to land, if the administration programme is properly administrated, they will provide value and food for the country. The employment scenario will improve in the country.

Look at what is happening in this economy, I think my colleague and other eminent economists would have spoken about it. Mr. Dookeran has spoken to the phenomenon of growth without employment. That is serious. We are talking about the expansion of the downstream industries. These areas provide very little employment, except in the construction phase. The major problem in the society that we face is that of unemployment. The statistics show that unemployment is among young people in the 15—24 age group. This is an overall of 25 per cent. With respect to the females, 31 per cent; and males, 22 per cent.

**Mr. Vice-President:** Hon. Senators, the speaking time of the Senator has expired.

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

*Question put and agreed to.*

**Sen. Dr. J. Kernahan:** With these very alarming figures, among the young people of our country, over 25 per cent are unemployed. It is very alarming. I said in this Senate before, over 30 per cent of the households in this country are headed by single, female breadwinners. If there is a rate of 31 per cent unemployment among females, we have a serious problem. We are talking about a significant number of those female heads of households unemployed or seasonally employed.

I want to address the pattern of employment generation in the country as given by the *Review 2003*. I quote:

“Approximately 527,200 persons were employed during the third quarter of the fiscal year; an increase of 8,500 jobs or 1.6 per cent over the corresponding period of the previous year.”

What is interesting is the profile of job creation in the country. It continues:

“The largest number of these new jobs were created in community, social and personal services: 6,000 jobs; petroleum and gas, 300 jobs; sugar cultivation and manufacture, 700 jobs. In contrast, job losses were observed in finance, insurance, real estate and business services. Over 3,100 jobs were lost in these areas.

Transport, storage and communication: 2,100 jobs were lost; construction, 900 jobs were lost; and other agriculture, 600 jobs were lost.”

We see the pattern where only 300 jobs were created in the period under review in the petroleum industry. Over 6,500 jobs were created in the social programmes. When we connect the dots, we see where there is disparity between job creation and growth.

The Minister spoke about growth, the outlook for growth in the country, business investment and confidence. We are seeing that the jobs have not been created in the areas which are targeted for expanded growth. Jobs are being created in social welfare programmes, CEPEP and URP. When you consider that many of the so-called jobs are created but they do not go to the people who need

the job the most, we understand why there is so much crime, poverty, anger and impotence in the country, especially among young people. They are the ones who are victimized and marginalized in the communities by the gangsters with all the guns.

This is the scenario in our country today. Thousands of jobs are created in the social sector, using the wasting resources of our country. My colleague, Sen. Seepersad-Bachan, spoke to the whole problem of her concern about the lack of job recreation on a sustainable basis in sustainable areas. That is our concern. When the oil and gas are gone, where are we going to employ the 6,500 persons who have become accustomed to a certain standard of living over the years?

Yesterday, Sen. Dumas spoke of the URP being such a good programme and that persons decried the URP. I want to remind the Senator that we do not decry the URP. We decry the dependency and impotence under which this regime has kept URP all these years. When we came into office, we lifted the level of the URP. We changed it to ETP. We paid people to be trained. Under our regime, women were taken out of the streets and the toilets in the schools. The first set of women to be trained as welders, painters and artisans were under the ETP. We have to remember that. We are not decrying the URP. URP has a certain place in the society. That has to be phased out, with the training of young people to assume sustainable jobs in an independent and proud manner, so that they can hold their heads up in the society, as an independent people. What is happening in this country is that this regime does not want to cultivate that ethos of independence, sustainability and a cadre of people who are independent of the political inducement of the ruling party. This is why they continue to impose URP and these types of programmes on people, rather than concentrate on training, in order to become self-sufficient.

I promised to go back to the whole question of transparency. The Minister spoke to these issues. I would like to read from this letter at length because it totally exposes the credibility between the so-called intentions of this Government, with respect to lifting people out of poverty, and eradicating poverty in this country, as opposed to what they are actually doing. This letter is dated May 17, 2004. The senders of this letter are yet to receive a reply from the Minister. They have asked for a meeting with the Minister. The secretary has informed them that the Minister is not seeing anyone. They have not been able to meet with the Minister, or talk with the Minister, to let him know what their concerns are. I raised the issue in this Senate of total inequity and discrimination in this country with respect to anyone who is not a diehard, rabid PNM supporter;

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this document speaks to that. This did not come from one person. This came from a number of community organizations that have been in existence in these areas for a number of years. I would let the document speak for itself. I quote:

“May 17, 2004  
Hon. Rennie Dumas  
Minister of Local Government  
Kent House Maraval Road  
Port of Spain  
Dear Hon. Minister,

RE: EXCULSION OF INDEPENDENT CBOs FROM STATE FINANCED PROJECTS.”

The first paragraph deals with the formation of the organization.

“This organization was brought together by the Interim National Physical Planning Commission (INPPC), which mobilized groups in the EDR area on the basis that we needed to revitalize the EDR, and pursue planned as opposed to spontaneous developmental projects.”

The second paragraph deals with the number of organizations involved. I would mention the organizations involved to show you the scope. They are as follows:

“...Success Laventille Networking Committee (SLNC), the Laventille Drug Abuse Demand Reduction Committee (LDADRC); South East P.O.S. Cultural Workshop, (SEPOS), the Chinapoo Village Council, Red Hill/Laventille Village Council, Quevedo Circular Comm. Group, St. Joseph Road Youth Movement, Jubilange People’s Community Co-op Soc. Ltd. and the South East P.O.S. Community Council to name a few.

The aim of the umbrella body is to seek total empowerment of Community Groups and to get the State to recognize the importance of building Society from the bottom up. In furtherance of this aim, the organization held several workshops in the above named areas with its unit...”

This organization is four years old. It has been involved in a number of projects. In 2002, it was involved in an exercise together with:

“...the P.O.S. Corporation, the Urban Management Programme for Latin America & the Caribbean (UMP/LAC) and several other local and foreign based institutions. Several of these groups also participated in the ‘Tidy TNT Competition’...”

Again on February 12, 2003 eight (8) of these groups signed a voluntary agreement with the UMP/UN Habitat, the P.O.S. Corporation, the Solid Waste Management Company, the Ministry of Community Development, the Ministry of Local Government and several other civil and state institutions, to voluntary work to improve the scavenging and beautification of P.O.S. and environs.”

**4.00 p.m.**

They did a number of other projects; and they produced proposals for creating sustainable jobs and long-term economic programmes for Laventille/Morvant and the East Dry Driver areas.

Mr. Vice-President, one of the important aspects of this document is that it says that on June 23, this organization met with the hon. Prime Minister and the Prime Minister said:

“...the CEPEP Projects were intended for genuine Community Based Organizations and the profit derived should be used for assisting with the building of our Communities.’ He added that when the new CEPEP jobs were opened, he would make sure, that the East P.O.S Council of Community Organizations was included.”

In light of this promise made by the hon. Prime Minister to this group, they subsequently wrote to Minister Jarrette Narine, on July 17, 2002 and December 09 2002. They wrote to all the Ministers. They went on to say that it would seem that the Government’s policy is to exclude independent Community Based Organizations (CBOs) from participating in State financed projects.

In spite of all the representation made to all these Ministers; and in spite of the reassurances of the Prime Minister himself, this organization has not benefited in any way from the CEPEP programmes; CEPEP contracts, and other Unemployment Relief Programme (URP) contracts and so forth that are given to the criminal elements in these communities.

This document went on to say that this organization spoke to the Member of Parliament for Laventille/East/Morvant, Mr. Fitzgerald Hinds; Member of Parliament for Laventille West, Mrs. Eulalie James; and Member of Parliament for Port of Spain South, Mr. Eric Williams. They have made all the representations that it is possible to make.

These young people are not just looking for jobs. They have serious proposals for implementation to deal with crime in their communities, and these proposals

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have not been taken on board. These proposals from the East Port of Spain Council of Community Organizations were a product of their groundings in their communities. These are serious proposals to eradicate crime.

The last paragraph of this document shows the duplicity of the PNM; the hypocrisy of the PNM; their insincerity with respect to the real community organizations; and their complicity with the criminal gangs whom they depend on to steal elections in the future. This document exposes them because there are over 13 organizations under this umbrella organization that have been trying in vain to meet with any government Minister, to ensure that their voices are heard; their proposals are heard; and they have met with absolutely no success.

Mr. Vice-President, I would like to read the last paragraph of this document and it says:

“In recognition of the above we believe that the \$313 million allocated for the Unemployment Relief Programme (URP) should be distributed with equity. In an article of the *Newsday* of April 28, 2004 we were told that the 2003/2004 stint of the Programme would be comprised of 365 small, medium and large special projects. EPCCO is awaiting our just dues.”

Mr. Vice-President, this letter has been sent to a number of Ministers; it has been sent to the hon. Rennie Dumas and there were no replies and no meetings. They are now in the process of sending it also to the Minister of Community Development and Culture. This document shows that the PNM is totally hypocritical and deceitful when it comes to dealing with the very poorest of the sections of our population, with the people who represent their interest. All they are doing is channelling funds into the hands of the criminal element whom they depend on to run the guns, cocaine and drugs that keep their organization viable into 2007.

Mr. Vice-President, this is my contribution today. The funds that are allocated to URP that go into the wrong hands should be channelled to these organizations, because these are the organizations that have the interest of the community at heart. I would like the hon. Minister, when he is looking at the business opportunities, the entrepreneurs and the people to whom funds should be given, he should consider this organization.

Mr. Vice-President, I thank you. [*Desk thumping*]

#### ARRANGEMENT OF BUSINESS

**Mr. Vice-President:** Hon. Senators, earlier on in the proceedings, under Statements by Ministers or Parliamentary Secretaries, item 11, I had informed this



Senate that I was informed that there was a ministerial statement to be made by the Minister in the Ministry of Finance at 4.00 p.m. However, because Sen. Dr. Kernahan would have finished her contribution at 4.05 p.m., I permitted her to go on. I would now ask the Minister to make his statement. [*Desk thumping*]

**UPGRADE OF TRINIDAD AND TOBAGO RATING BY STANDARD AND POOR'S**

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Mr. Vice-President, thank you. I am obliged to report to this honourable Senate than an objective, internationally respected agency has recently examined in detail, almost every aspect of the economic performance of Trinidad and Tobago for the past year.

In May of this year, a mere one month ago, Standard and Poor's visited Trinidad and Tobago for the purpose of conducting a comprehensive ratings review. Today, the results are in. It is not surprising that the findings of this agency provide overwhelming endorsement for the policies and programmes pursued by this administration. [*Desk thumping*]

Standard and Poor's Rating Services advised that it had upgraded Trinidad and Tobago's currency ratings as follows:

From	To	
Long-term local currency	'A-'	'A'
Long-term foreign currency	'BBB'	'BBB+'
Short-term local currency	'A-2'	'A-1'

Mr. Vice-President, these upgrades reflect significant improvements in Trinidad and Tobago's fiscal and external balance sheets, which in turn underpins strong economic growth prospects. Standard and Poor's noted that economic growth had soared in recent years as high foreign direct investment coupled with prudent macroeconomic policies had led to continuous increases in investment, production, and export capacity in the oil and gas sectors, and significant current account surpluses. In particular, Standard and Poor's observed the following:

"The country's net external debt continues to fall, owing to a current account surplus projected at 26% of current account receipts in 2004 and significant inflows of foreign direct investment (FDI)."

Overall, the following major rating factors were identified:

- ❖ A growing net public sector external creditor position, which is projected to reach 20 per cent of current account receipts this year and be buttressed in the future by continued strong current account surpluses;

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- ❖ A booming energy economy, which underpins impressive real gross domestic product (GDP) growth and improving fiscal flexibility; and
- ❖ Prudent monetary policy focusing on exchange rate stability and moderate inflation.

In addition to the upgrades on local and foreign sovereign debt, Standard and Poor's also improved Trinidad and Tobago's outlook from stable to positive, reflecting the expectation for continued impressive economic growth underpinned by the energy sector, a moderate inflationary environment and a strong and improving external position.

Mr. Vice-President, in New York this morning, Wednesday, June 16, 2004, Standard and Poor's issued a release and, with your permission, I would enter it into the record, and it says:

“Standard & Poor's Ratings Services said today that it raised its long-term foreign currency sovereign credit rating on the Republic of Trinidad and Tobago...to 'A' from 'A-'. The outlook was revised to positive from stable. Standard and Poor's also raised its short-term local currency sovereign credit rating to 'A-1' from 'A-2'.

According to sovereign analyst Philippe Sachs, the upgrade reflects significant improvements in Trinidad and Tobago's fiscal and external balance sheets, which in turn support strong economic growth prospects. ‘The country's net external debt continues to fall, owing to a current account surplus projected at 26% of current account receipts in 2004 and significant inflows of foreign direct investment (FDI),’ said Mr. Sachs. ‘The public sector is a net external creditor, with net assets projected to increase to 20% of current account receipts in 2004’ he added.

Standard & Poor's expects the booming energy economy, coupled with increased trade and financial integration with the US and other Caribbean economies, to underpin GDP growth in excess of 5% from 2004—2006. Although Trinidad & Tobago's economy has received a significant boost from elevated energy prices, the coming on-stream of two mega-methanol plants, a new ammonia plant and Atlantic LNG Train IV in the next 18 months, should provide for sufficient increase in production to mitigate a potential drop in energy prices.

The positive outlook reflects the potential for an upgrade as the Government uses its rising revenues to build a buffer against energy

downturns. Despite significant increases in spending on infrastructure and social development, high energy revenues should allow for modest debt retirement and continued contributions to the interim revenue stabilization fund. Fiscal savings generated by the restructuring of public sector enterprises, which are either planned or underway, should also improve the government's debtor position.

'Economic diversification, however, is needed to insulate the economy from a secular downturn in the energy sector in the longer term and to ensure broad-based participation in Trinidad and Tobago's newfound wealth,' said Mr. Sachs. 'The recent announcement of a US \$1 billion aluminum smelter is a significant non-energy investment and will provide for several thousand jobs', noted Mr. Sachs.'

Mr. Vice President, I just wanted to bring the Senate up-to-date on this matter, which I consider to be a significant event in which once, again, an independent international agency has come in and evaluated the work that we are doing and, in fact, increased our investment position in the international community.

Mr. Vice-President, I thank you. [*Desk thumping*]

**FINANCE (SUPPLEMENTATION AND VARIATION OF  
APPROPRIATION) (NO. 2) BILL**

**The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams):** Mr. Vice-President, let me thank you for this opportunity to make a small contribution. I wanted to do so at this time, particularly, after hearing Sen. Dr. Kernahan. Sen. Dr. Kernahan knows that she is one of the Senators that I try to listen to at all times. This is simply because her contribution comes out from what I consider to be her background, and I hope her desire to help the less fortunate persons.

Some weeks ago, Sen. Dr. Kernahan reminded us about her sister who was a freedom fighter. I know what she meant when she said that. Today, she is telling us about the community in which she lives, and the lives of persons who live around her. When she started her contribution, and the way she did it, all I could say is that it was regrettable. This is no joke; this is serious business.

There are problems out there, and all of us need to get together to solve those problems. Even if you criticize the Government's way of handling a particular problem, we look forward to hearing your solutions, if you have any, or even the request she made at the end of her contribution. Therefore, when this does not happen, I am always a little disappointed.

Mr. Vice-President, I will start where the Senator ended. The Senator ended with the request from the East Port of Spain Council of Community Organizations for some assistance. Let me just tell the Senator that the Government of Trinidad and Tobago has funded the Ministry of Community Development, Culture and Gender Affairs. We have been able to respond to a number of requests like what you had. If you noted, from this document, the Community Action for Revival and Empowerment (CARE) programme is a programme where we fund a number of community efforts. We do this very openly because ever so often you would hear about the distribution of cheques. There is nothing hidden.

We were given \$3 million, and I wish to tell you that the \$3 million was exhausted. With the new funding here, we are given another \$3 million. So, there is an opportunity for that particular group to be funded. I want to also say to this Senate, and I have said it before, there is no programme, which could assist in the development of the community that we would not find the opportunity to fund. In fact, I will say it again; we have said that our mission is transforming lives. Therefore, I am hoping that what that group is doing—and I know that group—would be part of the transformation of the lives for certain people. If the project is bigger than this, there is the Community Development Fund. This fund has also been given additional funding and, therefore, we would still be in a position to assist that group. I hope that you would work with them. And because of the large number of persons who come to the Ministry on a daily basis, we have had to stop that, and we have now moved to Saturdays where we could speak directly with groups. I would welcome that group to come in and speak with us.

Before I came here today, I was at the St. Ann's Community Workshop with a group of men. We have done a programme for men called: Defining Masculinity. I think Sen. Prof. Deosaran would have been happy to hear about that programme. People are of the view that the Gender Affairs Division of the Ministry deals only with women. Some of the men that we have dealt with were leaders in their organizations. We did the programme for these men. So, when these men go back to their communities, if the opportunity arose for them to work with the men around them, they would have the necessary skills to work with them. What has happened with that programme is that the men themselves were also transformed. In fact, some of the men told me that even their personal lives were enhanced; and the relationship with their mates were even better. As a result of that programme, 25 men came forward and offered to be volunteers to assist in communities.

So, just before I came here, I met with these men and I thanked them. We have started dialoguing so that we could place them in several areas in Trinidad

and Tobago because as we always say, “Men are now the endangered species”, and we need their assistance. I have now brought 25 more men on board. We call them—as we call those who work in the CARE programme—auxiliary members or honorary members of the Ministry. This is a programme that they would be setting up—not a programme that we have started—and we are going to be helping them by enhancing and financing the programme.

I also wanted to look at some of the other things that the Ministry is doing. Sometimes I feel that the work that the Ministry is doing is being targeted. Some of you may have seen in the newspapers recently that some attempts were made to find things within the Ministry. For example, we had something there—*[Interruption]* Do not tell me anything about the hotel this evening. I am coming to you with that.

Mr. Vice-President, Sen. Wade Mark, a friend of mine, wants to tell me about the hotel arrangements, but I will tell him about the hotel arrangements. In fact, last night, I should have been given accommodation at the hotel because of where I live—it was after 8 o’clock but I did not take it. The Parliament pays for that accommodation for me. I live in San Fernando, and when I was the interim Prime Minister, I used that facility because it was easy for me to move backward and forward. I do it because I have to do it. Sometimes I stay at the hotel. The Senator knows that I have a credit card, and he could see that I have paid for my bills with my credit card. I pay my bills. *[Interruption]* That is why I am saying it now. It has been in the newspaper, and that is why I am clearing the air. You have been constantly doing this and, therefore, I am going to tell Sen. Mark about Flag Staff Hill.

Sen. Wade Mark was given a house at Flag Staff Hill when he was a minister. I applaud it even though he was living in Valsayn. From 1998 right up to 2002, he stayed there. Sen. Mark lost the Ministry in 2002, and he never moved from Flag Staff Hill. He stayed there all that time free of charge at government’s expense. The Senator comes here now to talk about a legitimate claim that I made. Sen. Mark, you told me about the accommodation at the Hilton; you started it. Let me also tell Sen. Mark that he forgot to pay the telephone bills over the period he was at Flag Staff Hill, and the residential telephone bill was \$32,000 plus, and the Government paid that money. When he left, he walked away with the cellphone—

**Sen. Mark:** Mr. Vice-President, joke is joke, but the Senator is getting serious, so I would get serious also. *[Laughter]* Joke is joke. The hon. Minister is imputing improper motives. I would like her to cease and desist from doing so. Mr. Vice-President, under Standing Orders 35(4), my dear friend, whilst I am able

*Finance Bill*  
[SEN. MARK]

*Wednesday, June 16, 2004*

to cope with her, when she gets into that arena, she is imputing improper motives. The Senator must withdraw that statement.

**Mr. Vice-President:** Sen. Yuille-Williams, I want to support Sen. Mark here, and I would ask you not to refer to that matter, please. I would also ask Sen. Mark not to cast any aspersions about anything that Sen. Yuille-Williams has done.

**Sen. The Hon. J. Yuille-Williams:** Mr. Vice-President, I bow to you. Unfortunately, the information that I am giving here this afternoon is factual. I did not tell the Senator that he did not pay his cellphone bill, but I will go on. The cellphone bill was \$21,000 and that was not paid, but I will end there.

**Sen. Mark:** Mr. Vice-President, I am saying that the Minister is imputing improper motives. The Senator has no evidence to that effect.

**Mr. Vice-President:** Could we get back to the debate?

**Sen. The Hon. J. Yuille-Williams:** Mr. Vice-President, usually these are matters that we do not talk about. Sen. Mark is my friend, but my claim is a legitimate claim and, therefore, I think after this, we would have settled that matter. When I stand on my feet, Sir, I do not call names of persons who have been accused of anything in the Senate. I do not do things like that, and I do not provoke my friends; it was only when he called, I answered.

**Sen. Mark:** Well, you called and I answered. That is “ol’ talk”.

**Sen. The Hon. J. Yuille-Williams:** Therefore, I hope that we would have settled that matter, and we could move on.

I was talking about the Ministry. What happens in the Ministry is important to the national community. For example, next week Sunday, there is going to be another article in one of the newspapers concerning the Best Village Competition and the Junior Best Village Competition. I want to say it here because for some reason, people do not understand the expenditure with respect to those programmes. Everyone here knows about Best Village, Junior Best Village and Folk Fair. I do not have to go through the reasons for either one of those programmes.

Let me first take the Junior Best Village Competition. We got additional expenditure for this programme this year. In terms of the Junior Best Village Competition, 900 young people were put into this programme. That was the first time we did that programme without additional funding. During the vacation period, we had Best Village Camps. Each camp was designated to a particular ethnic group in Trinidad and Tobago. We taught the kids everything about the group they were representing like the culture, language, food, clothes, dance and

so forth. We allowed the kids to do a lot of research and handicraft. That was a most excellent programme, and our young people there were beginning to understand each other.

I remember a group in Sangre Grande did an East Indian presentation with Ram and Sita, and as I watched the group move off—the solemnity with which they did it—I knew they understood what they were doing. We had the Syrian Lebanese in Caroni; we had the French in Tobago; we had the Arawaks in the north and so forth. That was important. All the research was done and we clothed them and we gave them everything they needed. There was an extravaganza at the Queen's Park Savannah, and we built stations almost like what was used in their original homeland. That cost us some money to put the programme together.

The embassies in Trinidad and Tobago were so happy about the project and they came forward. The Venezuelan Embassy came forward and worked with the Spanish group and so forth. All the High Commissions came forward and worked with the various groups. On the day itself, the High Commissioners were there. They lent us equipment and items from the different embassies to make the presentation as authentic as possible. If any one of you had gone in there you would have seen what had happened.

At the end of the programme, there was a performance where all the groups came together. They sang and danced according to their group. When you do this with kids and young people, when they grow up, you are going to have less of the discrimination, and less of the misunderstanding. Many of the things that are happening around us they do not understand them. The teachers in the schools were so pleased because they helped the groups. That was part of the research. To create that environment it did cost us some money, but we felt that it was money well spent. This was long-term planning.

I understand that this weekend, one of my best artistes, Dexter Peters—Dexter Peters does a lot of good work, and he is very creative. I understand one of the dailies which had been looking at the Ministry—I do not know if it helps them to get a bit of patronage—is going to talk about money, the money spent on Junior Best Village and Folk Fair. In Folk Fair we had 25,000 people going through that gate visiting the different stalls and seeing what was happening. We also had a children's stall. I cannot go through the whole aspect of Folk Fair because Senators know what is Folk Fair. Do you know that on this Sunday, somebody is going to talk about the expenses incurred in producing Folk Fair?

This year we will be having Folk Fair for three days, starting on the Friday night; then we would dedicate the Saturday for the children and on Sunday would

be the adult part of the programme. We feel that there is value in it. I really wanted to share that information with Senators. So the kinds of criticisms that we get do not necessarily have to do with the event, but there must be something else. There is no way that people could use that programme as a criticism. That is money well spent and people must know that.

**Mr. Vice-President:** Hon. Senators, it is now 4.30 p.m. and we should take the tea break at this time. The Senate will now be suspended and we shall return at 5.10 p.m.

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

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

[MADAM PRESIDENT *in the Chair*]

**Sen. The Hon. J. Yuille-Williams:** Madam President, before I close, I want to respond to a few comments made by the Senator. The Senator talked about the Community-based Environmental Protection and Enhancement Programme (CEPEP), and the fact that the Prime Minister had promised that a CEPEP contract would be given to a particular community group. I am sure he would keep his promise. Let me just tell you something about CEPEP, in terms of the restructuring. I was supposed to be the co-ordinator of a sub-committee to look after the restructuring of CEPEP. When CEPEP first came into being—although we wanted to start entrepreneurs and to help with employment—at the time, you would admit from the record, that there were some persons who were directors and single owners of companies. There is where we are going to start. The plan is that all those contractors must be companies, and the shareholders would be the members of the company and they would form the board of directors. That is what it is going to be. There is going to be a phasing out period and anybody who does not wish to accept that would be asked to leave. The groups that would be coming on now would have to be community groups that are properly structured.

Madam President, there would be a period of training. This is going to be a new experience for a lot of people like: What is a company? How does it operate? What is a board of directors? So we are going to be looking at that transitional period. Let me assure the Senate that the information given to me by the Prime Minister is correct, and that is the direction in which the CEPEP would move.

You would recognize, as I do, that the largest group of persons who were unemployed were female and single heads of household. Let me just remind you of some of the programmes we have in the Ministry. This year we had an



additional \$5 million for export centres. That \$5 million were spent in two ways. Firstly, we had to upgrade the centres. The centres have been there for a long time, and they were not specially designed for the work that they were doing. Some upgrading was done to these centres over the years, but all those centres are now being renovated. That was the delay for the start of the programme. These export centres would cater for female heads of household between the ages of 26 to 40 years. Normally, there would be one shift at these centres, but this year we would be having two shifts. There would be a shift from 9.00 a.m. to 3.00 p.m. and then a shift in the evening from 4.00 p.m. to 8.00 p.m. That would give us a greater number of persons. In fact, we are supposed to train 1,000 persons at these export centres, and these persons would stay there for nine months. At the end of the period, they are going to be formed into small companies. So, therefore, the entrepreneurial training is a part of the programme.

The produce of these individual companies would be exported through the Export Trading Company which is going to be revived for the sole purpose of handling the export from the companies. We felt that it was going to be a little too much to leave it up to the companies to find their own markets. There is an Export Trading Company that has been lying idle for quite some time, and they would now handle the export from the programme.

**Sen. Dr. Kernahan:** Madam President, through you, could you give me an indication as to where some of these export companies are located?

**Sen. The Hon. J. Yuille-Williams:** I know there are three centres in Laventille; one in Portin Fortin; one in Fyzabad; one in Palo Seco and one in Bon Air. I cannot tell you offhand where exactly these centres are located. I am quite sure that Sen. Baksh knows exactly where these centres are located. They have been there for quite some time. It is just that we ran one programme during the year, and this year we are going to have two programmes; one in the morning and one in the evening, so that a larger number of persons could be trained.

In fact, there are usually a number of outlets around the country. We have closed some of those outlets because our main aim was not that; our main aim was training. What had happened when I went back to the Ministry was that some of the persons that we left there five or six years ago were still there. They became workers and they were producing a lot of things that were stored in a warehouse. We gave them some business training and we severed them. Some of them have gone into their own business; those who were very good remained as tutors. Now, we could take in people who would stay for nine months and do the training and then they would move off to cottage industry. We are going to help

them and support them while they are there, and then another group will come in. That is the whole idea. I think it has worked well.

In fact, I saw some of the work that was produced and the work was of a very high standard, especially, the woodwork. One of the outlets is on Frederick Street, one is in Gulf City Mall and another in Chaguanas. I think there are about 21 outlets. Some of the additional expenditure will be going to the export centres to increase the number of participants as well for the refurbishing of all the centres.

Again, we have the Non-traditional Skills Programme in the Ministry, which is for female single heads of household. The Non-traditional Skills Programme is the programme where we had introduced women to skills, which were not usually theirs like plumbing, welding and so forth. This year, we have about 500 women in one cycle. When a cycle is finished we are going to bring on another cycle. The training is done mainly at John S. Donaldson Technical Institute, San Fernando Technical Institute or any other area where we could find the facility. The women have done extremely well in that programme. We were on Brian Lara Promenade on International Women's Day where we held an exhibition. These women have been absorbed by employers. The only problem that is keeping them back is that most of the jobsites were not designed for females. Hopefully, with the Gender Policy and with some cohesion and persuasion, persons who design job sites would be forced to do it, so that there would be no discrimination between the women and the men. That is another programme where we had women in mind.

The Women in Harmony Programme held its graduation last Monday at the Naparima Bowl where 300 women graduated in geriatric care and agriculture. They did landscaping, horticulture, flower arrangement and so forth. We have been having these programmes for that particular group of persons who we felt did not have the opportunity to get training earlier, and to help with employment. I think that programme has worked well, and we are having continuous training. Of course, there is a large amount of money here for the Community Development Fund. I do not think I need to go through the Community Development Fund. I think most people are familiar with it.

For the last few weeks, what we have been doing is having consultations around the country trying to sell the fund. I told them that the fund was the best-kept secret, and we are going around to let people know exactly what the fund can do. Community projects and institutional strengthening are important aspects of the fund, where NGOs and so forth could apply for additional strengthening and so forth. We would pay the trainers to work with them and so on.

I am always talking in this Parliament about the Women in Transformation, the (WIT) group. This group was a very vocal and violent group at the beginning, but I was very pleased to see that they have moved from where they were; they have accepted several of the programmes and they have now set up their own employment agency. Last week, they brought me pictures, where they were doing masonry work in a house and they were actually doing the painting. One of the things that we are doing is staying with the people in the programme. It is not a matter of just training them and letting them go. We are trying to stay with them and set them up into some kind of business, or get them involved in some kind of activity, or even before they leave the programme to bring them together. Those are the areas where we really got the increases. It looks like a lot of money, but when one looks at the number of persons who are coming to us for assistance, one would see what is happening.

If the allocation for Best Village looks a little large it is just that in previous years—we usually give all the prizes for Best Village and so forth when the financial year starts. This year, I am pleased to say that we have got it in this financial year, so at the end of the year we could do our distribution. The first prize in Best Village Competition is \$200,000 and that is for a community project. This year Samaroo Village won the community project. As much as you all talk about some of the other groups, Samaroo Village won the Best Village overall. That means to say that they participated in at least six areas, which included the folk concert, folk theatre, handicraft, the environment, and other areas.

In fact, some people are saying that there are some groups which are outstanding and they would always win, but that is not so. It is the overall participation of all the competition. Samaroo Village won this year and they now have to submit to us a project that would benefit the entire community—based on what they submit, the assistance would be given and then we would let them have the money to do what they want to do.

Madam President, these are some of the areas that I thought I needed to remind this honourable Senate about. We are still looking forward to any one of you who would wish to give the Ministry the kind of support that it deserves in terms of—you may not be a parliamentary representative, but you are Senators here, and if there is any group that needs the assistance, or if you have projects that you feel are worthy of being financed.

Within the Gender Affairs Division, there is a gender institute and that institute runs very few programmes. We buy programmes. There are good programmes out there that are being offered. If the persons who are engaged in

those programmes are responsible and have the skills to deliver the programme, we would go to them and ask them to put the programme into certain areas for us. In that way, we finance the programme and move on much faster rather than trying to do it for ourselves. There is a limited amount of skills within the Ministry. We really facilitate the whole process.

As I said before, it seems when you do work like this and there is a lot of goodwill out there—people are seeing what we are doing and then you get negative feedbacks about the programmes, but that does not bother us, we just move on and do what we have to do. Our result is when we see people whose lives are really transformed.

Madam President, out of Best Village, we have given some scholarships to the Creative Arts Centre at the University of the West Indies—it does not matter the style in which it was done. We have seen people outside there in those areas and we have given them the scholarships. They come back to the programme and they are able to help to develop the skills with other persons.

I am glad for the opportunity to make this contribution. I welcome any of the Members on Saturday mornings, if you do have any of your persons. I am seeing Sen. Prof. Ramchand looking at me. I did not get any increase for Nelson Island, but it is there. These are the areas for which we got the additional money. I know that the culture is there and we are working very hard on it. I am glad that you have given us your support.

There is one other matter and that is the cultural policy. Let me just announce to this Senate that we have a draft cultural policy. We have pulled from all that has been there before and we have come up with one. I am going to send it out to different persons. I am going to ask Senators to read that policy and Senators could write as much comments as they would like on that cultural policy, and then we will put it into some form for the wider public. So, I would look for persons who have an interest in that matter and I would send it out to them.

Similarly, I need to announce that the National Gender Policy was completed. I got it from the Centre for Gender Studies. It is quite a huge document and we would have to go through it. I am hoping that not only the female Members of the Senate would make their comments because gender is male and female. We are hoping that you read it discreetly and I welcome your comments on it.

Madam President, thank you again for this opportunity. [*Desk thumping*]

**Sen. Mark:** I just wanted to indicate to you, that during your absence, my hon. friend was on her legs, and she made a statement. I felt that whilst I was

engaged in bantering, I have no problem with that, but when a statement is made that is factually not true; I think we need to deal with the record. I have a letter from the Permanent Secretary in the Ministry of Public Administration where I returned a cellphone, which the Minister alleged that I never returned. I want to bring that letter to you so that the Minister, at the appropriate time, would have to withdraw her statement. The letter is in my possession. I have no problem when the Minister said that I was at Flag Staff Hill, but when she said I did not return the cellphone, I have a problem with that.

**Sen. J. Yuille-Williams:** Madam President, I am glad that the Senator raised the matter. I would read the letter.

**5.25 p.m.**

“He retained a cellular telephone during the same period and returned it to the Ministry of Public Administration and Information in January, 2002.”

So it means you finished as a Minister in 2000 and you kept it until 2002: The State was obligated to settle the accumulated bill which amounted to \$21,954.64.

**Sen. Mark:** So I retained the phone? [*Laughter*]

**Madam President:** All right. Could we move on? Is there anybody else to speak?

**The Minister of Education (Sen. The Hon. Hazel Manning):** Madam President, in response to the concern of this honourable House last evening, I rise to provide this honourable Senate with an account of the performance of the Ministry of Education for the first eight months of the fiscal year under the Public Sector Investment Programme 2004.

The Public Sector Investment Programme is a mechanism for translating Government's plans and objectives and strategies into projects. In the Ministry of Education, it was designed to support the national development goal of developed country status in the year 2020, and therefore, the allocation to the social sectors was given high priority, which included the Ministries of Education, Health, Housing and National Security.

And so, the Ministry of Education, understanding that it was priority, developed a comprehensive strategic plan. A strategic development plan, 2003—2006, Madam President, and this came out of a policy document done by the Ministry for the period 1993—2002; a policy document that was done by this Government when this Government was there, the period before the last government.

Madam President, I want to state that the last government took that policy document the IDB and got a loan of over US \$105 million. What they did not do, Madam President, was create a strategic plan, so they found themselves fumbling along for the six years they were there.

**Sen. Seepersad-Bachan:** Fumbling? And we built some schools.

**Sen. The Hon. H. Manning:** Total fumbling along. I am coming to the same schools they built. Madam President, what happened is that we had to put in place a strategic development plan 2002—2006 to be able to roll out that policy document, and we understood clearly what it is we wanted to do. We had a mission, we had a vision, and our mission was to modernize and reform the education system and we wanted to lead in the modernization and reform of the education system.

We wanted to expand to make sure that there was access to school places throughout the country, in rural areas, wherever, in the far reaches of this country. We wanted to make sure that we were achieving and sustaining quality education, that we would put benchmarks in place and ensure that at the end of the day that whatever our goals were and our objectives were, that we would achieve them. We wanted to make sure that schools were resourced and that resourcing of schools would mean that all the tools would be available to make sure that the children learn.

We wanted to make sure that the whole education system was being driven by technology. And so, the Ministry set out to strengthen itself, institutional strengthening—that was a main goal that we had—to provide quality customer service and to develop a strong policy on research and capability.

I think it is very much important for me to inform you, Madam President, and this honourable Senate, that based on the strategic plan, based on the policy, based on our action plan, as we roll it out, I want to say to you that the Ministry of Education is on track with its strategic development programme 2003—2006.

This is the second year of our programme, Madam President, and in this second year, as we moved on, we slowed down a bit to take a look, a strategic review of the Ministry's programme, because as you know, education is very dynamic. This was done to ensure that the educational output met the demands of all the stakeholders.

We work very closely with our stakeholders. So much so that we meet on a monthly basis with TTUTA, with our parent teachers' association, National Parent

Teachers' Association, with the associations of principals, assisted schools, government schools, primary schools. We meet on a monthly basis with our stakeholders and we engage in negotiations. This strategic review led us to redefinition, reorganization, restructuring of our strategic plan, and I want to identify some of the redefinitions that we did.

One, a main problem we had, Madam President, was procurement, and the reorganization of the approach to procurement for construction had to be done to support our construction programme. We had to look at ourselves and how it was done; we had to look at what the other agencies and the other partners were doing to be able to make our procurement system more effective and more efficient.

I want to make reference to the hon. Senator on the other side, Sen. Roy Augustus, who seems to have a problem with the fact that we had to hire one Mr. Ken Burgess, and I want to say to him, through you, Madam President, that the hiring of Mr. Burgess assisted considerably to ensure that we had a clear sense of what our procurement system was and the setting up of a system to ensure that construction took place.

Madam President, when I got there, there were seven people in a unit called the EFMU, Education Facilities Management Unit. Seven people, one mechanical engineer, to look after 700 schools in this country. When I got there, the complaints from the schools, we just could not cope with them because years had been passing and no repairs, no upgrades, nothing was being done, or a little was being done to these 700 schools.

I took up duty after the tenure of my goodly colleague who was also Minister of Education at one point in time, and I want to talk about some of the tender procedures when my goodly colleague and his colleagues were there. Our research has shown us that some awards of contracts were given out on whim and fancy, Madam President, and there is the famous case of awarding contracts for furniture, for computers and for finishing to the tune of \$13 million without any tender process.

**Sen. Joseph:** That is fast tracking

**Sen. The Hon. H. Manning:** That is more than fast track. This Minister of Education has no intention, Madam President, none at all, to preside over any such violation, and I want to ensure that the 23 steps that we need to take when we are tendering, when we are making sure that we are following through with the tendering procedure, that those 23 steps, we always stick to them. No way, Madam President, am I doing anything like that. [*Desk thumping*]

I also want to make reference to Sen. Prof. Ramchand who is talking about too much designing and too much waiting on the money and to take the money and put it in the pocket. I sat here with my mouth opened. I want to say to Prof. Ramchand, if we do not design, you would be the first to complain to us about a school built for the slopes of Paramin being put on the sands of Icacos. I do not want to do that. [*Desk thumping*] I am waxing warm like Sen. Prof. Ramchand because I love reading his books. So I am following through.

At the Ministry of Education, we began to rethink and revise some of the things that were giving us trouble as we started to move along. We looked at the qualitative and we looked at the quantitative aspects because the CXC curriculum gave us problems. We were not meeting the requirements. With a 50 per cent failure rate in math and a 50 per cent failure rate in English, we were asking ourselves the question: “What do we do to ensure that the quality of the education system is improved?”

We also, at that time in September 2003, introduced a national modernized curriculum. We placed it in all schools, Forms I and II. This curriculum includes new requirements, both physical facilities—we have changed the curriculum, ensuring that there are some subjects in the curriculum that are compulsory, that are core subjects.

The subjects were physical education, visual and performing arts, technology education—those are the new ones that had to be in the curriculum to make sure that the curriculum was broad and could support all that we needed to do, but the facilities were not in the school. Therefore, we had to look at the establishment of facilities and we had to look at teacher training to ensure that these subjects were well supported.

We also introduced over the last year, Madam President, CAPE. CAPE is the Caribbean Advanced Proficiency Examination. As well, we are putting in place now, the National Certificate of Secondary Education. A certificate to ensure that all our children, when they leave secondary school, would be certified as having reached some level of education in that school. We are also introducing a national examination at 14-plus.

The Ministry, as it started to move again, started to rework and maximize the partnership programmes, because we had to get those partnership programmes right to be able to deliver quality education. So much so that at this point in time, we are looking at providing a subvention for our National Parent Teachers’ Association, because we have given them a mandate to ensure that parent



teachers' associations are established in all our schools, and secondly, to ensure that parent teachers' associations would be able to open and supervise homework centres in schools between the hours of say, half two and four or five, when parents are still at work and have not collected their children. So, we have given them that mandate and we are working with them.

Next we thought that we needed to build capacity in the Ministry, because to be able to do all these things, we had to refocus the Ministry and exactly what the Ministry was doing; the priorities had to change. The first unit we looked at, the unit to deal with construction, the one that had seven people and one mechanical engineer to look after 700 schools, Madam President, we decided to restructure the EFMU, and we went back into the 70s and 60s when the World Bank was in this country.

We researched the files and discovered that there was such a unit long ago with approximately 45. We made changes to it, but there were about 45 people. We looked at it, we reorganized it, and we, at this point in time, have a new division in the Ministry called the Education Facilities Management Division. A division that now consists of a mix of engineers, project managers, architects, and all of them working as a team to be able to construct schools, to upgrade, maintain and repair schools. It is such a good unit that we are thinking that that unit should become a company.

**Sen. Prof. Ramchand:** Madam President, I wonder if the Minister could answer a question that has a bearing on what she has just said about design, construction and curriculum. The question is really a theoretical and philosophical one, that if one is modernizing the education system, would it not be necessary, first of all, to devise a curriculum that faces the realities of the culture and the society and the history, and then, on the basis of that curriculum, decide upon matters like the construction of schools, what kinds of buildings?

And is it not a mistake to proceed apace with the construction even before you have completed a curriculum? And is it not a very grave error to have introduced two years of a curriculum without having thought out the third, fourth, fifth and six years?

**Sen. The Hon. H. Manning:** Sen. Prof. Ramchand, that is why I love reading your books, because we think alike. [*Laughter*] That is why when they said they built so many schools—[*Interruption*] I am coming to exactly that point. They built the schools, Senator, without putting a curriculum in place. So it is after we put the curriculum in place in September 2003, we started to say, but what on

earth happened here? They built schools without finalizing the curriculum, and that is why those schools are in the trouble they were in. I am coming to that.

**Sen. Seepersad-Bachan:** What schools?

**Sen. The Hon. H. Manning:** I will tell you. You see, you do not even know what you left behind. I will tell you. Secondly, we went to the establishment of a decentralization and restructuring action unit to be able to accelerate, because that policy document and that strategic plan really have given us a mandate to decentralize education.

We started looking around, putting a unit in place to champion the decentralization of the education system. To date, that unit has purchased one building; the building in Victoria to house Victoria and St. Patrick. That unit is also in the process of purchasing land in other educational districts. In Northeast, in Southeast, because at the end of the day, we are ensuring that all eight districts will have their mini ministries of education—if that is what we want to call it—and that unit has started working to be able to ensure that decentralization works well.

We also had to put in place a unit to manage local school boards, so such a unit has been put in place in the Ministry to oversee the establishment and the operations of our local school boards. To date, there are 12 local school boards in operation, and just last week, we began having meetings with 25 other schools, 25 other principals, because we are now working out, rolling out to ensure that by September there will be 37 schools with local school boards. Hopefully, by the end of the academic year 2004/2005, all Government secondary schools would have local school boards.

Then I come to information technology and the establishment of the Information Technology Unit. Madam President, they had about three or four people in a unit that really did not get it together, so, using the expertise of our Permanent Secretary, Angela Jack, who has come from the CPO's office, and is really a very good human resource person [*Desk thumping*] we have been able to put in place another structure.

We put in place the Information Technology Unit, established and in place. Just Monday of this week, that unit has been able to provide us with a policy document, so we now have a policy document on information technology and they are saying to us that the curriculum must be infused with a sound programme of ICT. So they are actually rolling out the ICT programme.

There is now an action plan about to be done in great detail as we roll out, making sure that we do not only just put computers in schools, but that we network the computers and that we have a system going. That is what we got a plan on, on Monday. So soon, we will have a network system going as we have a school net programme in place. It was never done before, Madam President. Never done before. Each school was given two or three computers and they thought that that is what it was all about. It is not the hardware. It is the networking of the hardware that really supports the curriculum: They do not get it.

All this was done in the last two years. Then we established a Teacher Professional Development Unit; a unit which is looking after the development of our teachers. I have great respect for teachers, Madam President, but I do not believe, as the unit, as a number of the experts in the Ministry—we do not believe that anybody could walk off the streets and pay \$5 and become a teacher. We do not think that is what we need to give our children. Somebody who just walks off the streets, registers and becomes a teacher without any training.

This particular unit is looking at the career path of a teacher, starting from an early childhood care teacher right on until adult education. That unit, hopefully, would present its policy document before the end of the year and then we would start rolling out our plans. That is how we operate, Madam President. We put the structure in place, we do the policy document, we all talk about it, discuss it and pass it around for stakeholder analysis, we then come back inside and we start the action plan and start to roll it out; we start implementation.

Then we did another very unique thing. Very different. We established a quality assurance unit in the Ministry. There was no quality assurance, nobody knew what the schools were doing, nobody was able to monitor and say this school is doing this and this school is doing that. We were able to pull together all the technical units under the Chief Education Officer, and they meet almost on a weekly basis to pull together a quality assurance programme. Such a programme has been done, such a programme has been discussed and analyzed, and that quality assurance policy document is now being rolled out as an action plan, as we move to support, put in place a continuous assessment programme, not only in primary schools, but right through the system to secondary schools.

We also put in place, Madam President, a Student Support Services Unit, because we were very much concerned about the indiscipline and violence in our schools. We were able to hire an expert to work with us, and this morning we launched the programme, we launched the plan that we got, the research document that we got, or the information that we got. We were able to use the

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expert on violence, one of our colleagues in the Senate, who did a fabulous document. Really very in-depth, very good, well done, and we would like to thank our expert in violence and indiscipline, Sen. Prof. Ramesh Deosaran, who was able to categorize for us—

[*Sen. Prof. Deosaran stands and takes a bow*] [*Laughter*]

Who was able to categorize for us, Madam President, the 21 categories of violence in the system. So, we now have a clear sense of what is wrong, what it is the children are doing, and hopefully, a sense of tracking and a sense to be able to say, if this is what they are doing, therefore this is what we need to do to be able to solve the problems.

So we are on a track where it is evidence-based information we are dealing with. Where we are not “vooping” and it is a gut feeling, and we feel this is what is wrong. We are now sure, and understanding that, we are not going into any strategic school intervention strategies. We have set up a unit. We have set up two units, as a matter of fact. This unit that provides the service, and another unit that is called the School Discipline Unit that will monitor what is happening.

In setting up the Student Support Services Unit, we have been looking at students who have significant learning disabilities. Not a large percentage, but some percentage of our children enter the school system and they have problems in seeing, in hearing, they may have mental problems, problems of childhood diabetes and asthma, and they sometimes do not even know. Therefore, they sometimes do not even have the support when they discover that something is wrong. So, we have joined with the Ministry of Health to be able to one, identify what is happening and two, to provide the medication, the spectacles or the hearing aid, and so forth.

We have also been looking at children who need guidance for academic, personal, social and career development. Our young people sometimes do not know what they want to do. They may be having personal and social problems and we have set up a unit to take care of them. For those who have emotional, behavioural and social difficulties, we are also going to look after them. For those who have learning, vision or mobility challenges, those who are gifted—we do not look after our gifted children—and talented and those who are educationally disadvantaged.

That unit has approximately 122 positions for Phase I, and the Ministry of Education has started hiring. We have had a number of people, school psychologists, diagnostic and prescriptive officers, guidance officers, school

social workers—that is a new one—the school nurse. We have had the advertisements out for a while. We have actually held interviews and have started hiring.

If you notice, I am telling you we have had, we have done. [*Desk thumping*] I can show it to you.

**Sen. Joseph:** What was he saying?

**Sen. The Hon. H. Manning:** He says we will. I come to the will, and the will is the textbook rental unit. We have established a Textbook Rental Unit, and the unit has been in place for the last three years. The Textbook Rental Unit will ensure that all students, and when I say all, I mean all students, private and public, special schools, early childhood centres, primary schools and secondary schools, that all students are provided with basic texts and learning materials to fully support and participate in the curriculum.

When I made my statement yesterday and I said “we will”, we will, because the statement I made, I do not think the hon. Senator on the other side was really listening to the statement. The statement was saying that in the year 2004, the academic year 2004/2005, we will be putting in place facilities for our special children. That is what it was saying. I said in that statement that we did an assessment. We found that the programme was working well, and now we are expanding and we will put in place in 2004/2005 an addition, an expansion to the programme to support special children. Unless Sen. Prof. Ramchand may say maybe I should say “we would”, and then maybe it would make more sense. I do not know.

We have also established a school nutrition programme that has been converted into a company. It is now called the National Schools’ Dietary Services Limited and it provides over 111,000 meals per day. This new company has the flexibility to expand, to provide services to the schools, and right now we are discussing with them the establishment of a cafeteria service in every school in this country, especially the new schools that have been built. We are making sure that the cafeteria is going to be operational for the whole school.

Then we have the School Discipline Unit that I talked about before. I just want to say to you that this School Discipline Unit is providing support to reduce indiscipline in the school. The unit works closely with the Ministry of National Security, and has recently advertised positions and is about to interview to hire school safety officers. We see the need to put school safety officers in the schools. We feel that every school must have a safety plan with great emphasis on

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emergencies and on crisis, so we are right now about to interview, to hire these school safety officers so that they can start training in the vacation period and take up jobs in September 2004.

We also have been working with the National Council for Early Childhood Care, and that national council has been working very well, and over the last two years they have been able to produce a Green Paper which is now out for public comment. That Green Paper really puts in place standards for our early childhood centres, and this is important because we are saying there are approximately 200 centres, 167 centres in this country that are Government and Government assisted, but there are over 800 centres in this country, and most of them are private, and really not up to standard.

That document really would now assist us to guide the process, to make sure that we have standards, we have benchmarks to which private organizations, government organizations and early childhood centres would adhere. Soon that would be out for public comment and secondly, that we would be able to have a new law governing the operations of early childhood centres.

We also have a National Council for Special Education which is now working on a way forward, because we have discovered that, you know, you would think that just a very few of our children are special. We have discovered that there are over 30,000 of our children in the school system whom we have to term "special". The children I just described before who may be visually impaired or hearing impaired, or they may be mentally ill, and because we are realizing that too many of our children are not doing well in school, it may be because they are physically not well.

Right now, the National Council for Special Education is coming up with its policy, coming up with a law. They need to put a law in place, laws in place, to support it and come up with an action plan as to how to operate. While that is happening, we are right now with the first draft of a special curriculum, a curriculum for special children, and a desire to support them and make sure that they are not being left behind. A number of our children in the schools who are getting into trouble are those special children who just cannot cope.

Then, there is our National Advisory Committee. That committee is looking at the way forward. They are looking at what we are doing, and they are putting in place a policy as to what happens after the year 2006. There is a special unit I want to talk about. That is the unit SEMP, and I want to discuss SEMP for Prof. Ramchand's benefit. He seems to be worried about SEMP and I want to say to him that we too were worried about SEMP when we got there.

What we have done is, we brought in a consultant with the assistance of the IDB. A consultant was brought in to examine what is happening in SEMP. We have got the report, and based on that report, we have gone to Cabinet to change the executive—that top group in SEMP—so that we have that flexibility to bring, in the first instance, very qualified people, project managers, people who are experienced, and basically, changing the whole approach; one of a project and managing, an ability for that organization to manage the implementation of projects.

This stepping back to undertake a review of our Strategic Development Programme has enabled us to plan more comprehensively and therefore, has allowed the PSIP implementation to move forward rapidly in achieving the objectives of the development programme, 2003—2006.

I want to outline, Madam President, the achievements of the Ministry in the second year of this activity over the last eight months. I want to start with the school construction programme. The early childhood care and education, as I said before, there are 23 steps that we have to take to be able to ensure that projects get off the ground. Way up, Sen. Prof. Ramchand, is design. Therefore, for early childhood care and education, we are right now designing 10 early childhood care and education centres, and I will tell you where the centres are. They are in Ortoire/Mayaro; Saddle Road, San Juan; Tarouba; the Coterie of Social Workers, Carib Street, San Fernando; the Child Welfare League in Chaguanas; in Preysal, Preysal Swaha; in Diego Martin; in Tacarigua; the Christian Union Centre in Point Fortin, and there is one in Carapichaima. So right now designs are almost completed for these early childhood centres.

We also moved into primary schools, and we have designed, we have advertised through the Central Tenders Board for the following nine primary schools. Advertisements were received, and at this point in time, evaluations are being done so that these schools would be designed and built. They are Enterprise Government; Palo Seco Government; Arima New Government; Arima West Government; New Grant Government; Iacos Government; Tranquility Government; St. Mary's Government and La Pastora Government.

In addition to those designs, they were out in the public domain, applications came in, the preferred bidders would be chosen, I am sure, before the end of this month and, in addition to those, we have already received preliminary designs for the following four denominational schools, and the denominational schools have a history. They were here first, especially the Catholic schools. There are 488 primary schools in this country. Approximately 50 per cent of them are 50 years old to 150 years old, and the majority of them are Catholic schools.

We operate with a Concordat with the denominational boards. We treat them as partners and talk to them and work with them, and based on what we have been doing with them, the discussions we have been holding with them, a number of schools are now being rebuilt or replaced. These schools are Paramin RC, La Sieva RC, Mon Repos RC and Maracas SDA. In these schools, the contractors are the denominational boards and they take care of the procurement aspects. Then, there are final designs which we have for three schools. It means that we can start up any time now and turn the sod and get the schools going. These are St. Paul's Anglican, Harmony Hall Presbyterian and Cap-de-Ville Government.

Now I move on to secondary schools. There are ongoing works on schedule for 28 schools with respect to general rehabilitation, deshifting and technical upgrade, to meet the requirements of the modernized curriculum. What we are doing here, Madam President, is now upgrading our schools, deshifting our schools, to be able to meet the requirements of the modernized curriculum.

Madam President, I have had occasion to mention in this Senate the need for the remedial works to address the gross deficiencies in nine Phase I SEMP schools, and these are the schools they say they built. Nine Phase I SEMP schools. A comprehensive programme of expansion for the provision of classroom spaces. That is what we have to do. Expand the classroom spaces. We have to do technical upgrade because they built the schools without approving the curriculum. So now that we have three subjects in the curriculum that are core subjects and compulsory subjects, physical education, visual and performing arts, technology education, these brand new schools, Madam President, do not have enough labs, they have no recreation grounds, they have no auditorium, they have no—I mean, I do not know what it is they did.

They do not meet the requirements of the modernized curriculum. So, to be able to do that, we now have contracts out and work is in progress at Coryal and Matura High Schools. We are now tendering for similar upgrade and expansion works at Manzanilla High. These are the schools they built: Manzanilla, Valencia, Tableland, and we are having problems with the land in Tableland. It is sliding and sloping. I do not know how they chose that site. Debe High School.

I must again talk to the good Senator. When they are designing, this is what they have to look for. One just does not go and put a school anywhere. This is what happened in Tableland. It is sloping. It is just not very good soil. Blanchisseuse High School, Brazil High School, Waterloo, and the school that I do not mention, and cannot mention, is Biche High School. Those are the schools



they built. They just put them down wherever they felt. I do not know how they got the land. That is another story.

**Sen. R. Montano:** But was not Trintoplan, Lenny Saith, the designer?

**Sen. The Hon. H. Manning:** Madam President, master plans are being finalized for designs and for the general rehabilitation and technical upgrade in the following 18 schools: Penal Junior Secondary School, Chaguanas Junior Secondary. These are the old schools that were built 30, 40 years ago, and we are now moving into these schools to upgrade. We should only be really upgrading these schools. We are finding ourselves wasting money upgrading nine schools that were just recently finished, but the concentration really should be on these schools, because we are also deshifting these schools.

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

*Motion made,* That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. The Hon. M. Joseph*]

*Question put and agreed to.*

**Sen. The Hon. H. Manning:** It is such a pity I do not have more time. [*Laughter*] We have tenders for design and supervision works for another 47 schools, Madam President. Those 47 schools were advertised in the newspapers throughout this month, and the deadline for submission of tenders is tomorrow, Thursday, 17 June, 2004.

These schools again were built 30 years ago; schools in need of upgrading and modernizing, legitimately so. The Marabella Junior Secondary and the Marabella Senior Comprehensive, these schools were built in partnership. The Siparia Junior Secondary, the Siparia Senior Comprehensive, and so forth.

Also included in this list are some very traditional schools also built around the same time. For example, Tranquility Secondary, Woodbrook Secondary and Fyzabad Composite. This brings me to Ibis High. Ibis High School was built four or so years ago. No, it was not built. Ibis High School was a warehouse that was refurbished at a cost of \$30 million, when building a brand new school at that time was costing \$25 million. So they refurbished a warehouse to put a school in at \$30 million when building schools at that time cost \$25 million.

I want to say to them, when the students and the teachers started to march, we did not march. They were marching and they refused to go back into the schools.

When they started to march and refused to go back, we repaired, upgraded a primary school in Morvant at \$20 million. So, I really do not know how Ibis High School cost so much. A school that we cannot use. The Ministry of Education, at this point in time, has about three units in that building and we store furniture in that building. We do not have 400 children in a “sick building”.

Four assisted secondary schools have completed their master plan for rehabilitation and technical upgrade works and the Ministry has also started talking and negotiating with the other 23 assisted secondary schools to complete their master plans. We are talking to schools like CIC, Naparima, Fatima and Presentation to ensure that those schools are also upgraded, because remember, we have a new curriculum, so schools now have to be sure that they can implement that curriculum.

The Ministry has begun to prepare architectural user briefs for magnet schools.

**Sen. Prof. Ramchand:** Madam President, it is not very clear to me whether the Minister means that there is a total curriculum or whether it is a curriculum for two or three years. The point I am making in all of these discussions is that you cannot say you have a curriculum unless you have a complete curriculum.

**Madam President:** Madam Minister?

**Sen. The Hon. H. Manning:** I would answer him in a while. I only have 15 minutes. I want to make my point and then I will answer him. Suffice it to say, we are working with a draft curriculum that, as we talk to the teachers, we keep monitoring, and as we talk to the teachers and the users, we make adjustment.

I wish to take this opportunity to enlighten a Member from the other place, a past Minister of Education, on what is a magnet school. He was a Minister in the Ministry of Education for a number of years and he did not know what a magnet school was. I want to give a definition. A magnet school is one which is equipped to attract students of special aptitudes, special abilities and interest in a particular field. I hope that he would understand that, Madam President.

**Sen. Augustus:** I am not too certain. Are you saying I did not know what a magnet school is?

**Sen. The Hon. H. Manning:** I did say in another place. You are in this place, Sir.

**Sen. Augustus:** Sorry.

**Sen. Mark:** Which other place?

**Sen. The Hon. H. Manning:** I also want to say that for special schools, the Ministry of Education is now engaged in the evaluation of tenders from consultants for the condition assessment and preparation of master plans and designs for nine special schools, and these schools are the Wharton Patrick School in St. Ann's; the School for Special Education at Pointe-a-Pierre; the School for the Blind at Santa Cruz; the School for the Deaf at Cascade; the Lady Hochoy Centre at Penal; the Lady Hochoy Centre at Gasparillo; the Lady Hochoy Centre at Cocorite; the Audrey Jeffers School for the Deaf at Marabella; and the Princess Elizabeth School in Port of Spain. We are now about to repair all of those schools.

Madam President, the Ministry of Education is now certain that it stands on solid ground. Solid educational, managerial and project management footing has been put in place to deliver its 2003—2006 programmes. At the end of the day, the achievements of the present Ministry of Education, I am sure, will be comparable to the achievements of the Ministry of Education's short term school building programme, 1975—1978. [*Desk thumping*]

In that programme, we ensured that in four years' time, this Government provided for some 90 per cent of the primary school graduates to benefit from secondary education. I am sure that at the end of this four-year period we are now going through, all students of the relevant age group will enjoy at least five years of high quality secondary schooling in all day, whole day schools. [*Desk thumping*]

In terms of the PSIP performance to date, it shows that we have utilized 77 per cent of our revised PSIP allocation, and over the remaining months of the fiscal year, our work programme and projected cash flows would indicate that we would utilize in full, the revised allocation and more, and the Ministry of Finance has said to us, as we roll out our programmes, they would provide us with more.

I think this honourable Senate will agree that the Ministry of Education is very much on track with its Strategic Development Programme, 2003—2006, and at another session I will tell this Senate about the quality aspect of our programme.

Thank you very much.

**Sen. Mark:** May I seek a little clarification? Madam President, I would just like the hon. Minister of Education to clear the air on a particular matter. Madam President, through you, we have been informed that the computers at the Ministry of Education that are responsible for generating the SEA results have broken down

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and they are now operating out of T&TEC. Parents are very worried about the manipulation of these examination results. I want to know from the hon. Minister, is that a fact? Can the Minister clear the air on that? Because we have been hearing this particular statement throughout the town.

**Sen. The Hon. H. Manning:** The computers at the Ministry of Education have not broken down. I say that very clearly. Our computers have not broken down. The computer that has broken down is the computer from the national computer centre, what is it called? The NISC. You know that has been broken down for a while now. It is not new. That has been broken down because we are getting salaries now from somewhere else. The public service.

I am telling you that that is the computer on which our SEA results are done. That has been broken down for a number of months now and they have been using T&TEC—is it T&TEC you said?

**Sen. Mark:** T&TEC.

**Sen. The Hon. H. Manning:** They have been using T&TEC to generate our salaries in the same like manner that they are using T&TEC to generate our SEA results. The same staff, same group, working at another venue.

**Sen. Mark:** If I may just ask the hon. Minister, I am saying that parents are very nervous about that. Can you give the assurance to the parents and the national community that the manipulation of this system—

**Sen. The Hon. H. Manning:** I tell you it is the same staff and there is no manipulation. It is the same system. Maybe what we may do is explain to them what has happened, but that has happened a long while now. It is nothing new.

**Madam President:** Procedural motion.

#### PROCEDURAL MOTION

**The Minister of Community Development and Gender Affairs (Sen. The Hon. Joan Yuille-Williams):** Madam President, I move that the Senate continue to sit until the end of the debate on the present Bill.

*Question put and agreed to.*

#### FINANCE (SUPPLEMENTATION AND VARIATION OF APPROPRIATION BILL

**Sen. Prof. Ramchand:** Madam President, since the Minister is in the mood to give assurance and comfort, I wonder if she can give me some comfort.

**Madam President:** I am only allowing it because she has five minutes of her time left.

**Sen. Prof. Ramchand:** On a matter that is very disturbing. On April 07, 2002, seven teachers at the Arima Senior Comprehensive School were suspended on full pay as a result of a conflict with the principal. I would like to know if they are still on suspension receiving full pay and what steps are being taken to resolve that problem?

**Sen. The Hon. H. Manning:** Madam President, do I answer this? Is this a question? It is before the Teaching Service Commission and I really cannot answer it because that is not in our purview.

**Sen. Robin Montano:** Madam President, you know, I keep on saying in this Senate that there is a disconnect. When I listen to any or all of the Ministers of this Government, as my friend Sen. Dr. Kernahan said, all is well in the kingdom. The shining city on the hill is there for everybody, and look at it. Can you not see it? It is shining beautifully. All is right in the kingdom. All is well with the crime situation. We have it under control.

All we need is the cooperation of the Opposition who are all so terrible. They will not give us any cooperation, but if they gave us cooperation, we have it under control. All is well in the education system. There is no problem, and whatever problem we have, that was caused in the bad old days of the UNC, but thank goodness that we are here now, because everything—we got good plans, and you know, with information technology this and information technology that, everything is working well.

You heard the Prime Minister, for example, going out around the time of Indian Arrival Day and talking about how he is Prime Minister of all of the country. Well, I am so glad he said that. I have to ask him a question: When did he wake up and smell that particular brand of coffee? Because I remember, during the election campaign of October 2002, seeing the Prime Minister on national television, and I remember on national television there was some rasta man from Laventille.

**Sen. Mark:** Guerra?

**Sen. R. Montano:** This was a rasta man, a bare-chested man, who said on national television in the Prime Minister's presence that if the UNC wins, there is going to be a war—I am not sure if I am getting the exact words—“And it will be a race war between Indians and blacks, dread!” And the Prime Minister said nothing.

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I looked on in absolute horror as to how this man, who at that time, was Prime Minister of the country and also leader of a major political party, could allow somebody in his presence on national television to make such a nasty racist statement as that, and say absolutely nothing. And then two and a half years later, he comes and says to half of the population, “Well of course, you must understand that we care for you, you know, and we care about you.” Really? Well if you care so much, why did you not say anything then? Madam President, there is a disconnect.

**6.25 p.m.**

I listened to the Minister yesterday and also this afternoon when he gave his report from Standard and Poor’s, which I will deal with in a moment. If you listen to the various Ministers of Finance, business is booming, things are going well. We lawyers talk amongst ourselves, and in my own profession every single lawyer I spoke to, except those who get government work and/or those who get big energy work, are all complaining that their cash flow is being badly affected. Clients are finding it difficult to pay and business is down. What is significant about that? We civil lawyers get our business from the business community; when business is bad with the business community, business is bad with the lawyers. When a business client is not paying his bills, the lawyer’s cash flow suffers. Business clients would pay their bills if their cash flow is all right.

Two days ago I had a personal chat with my own bank manager. I complained to her that I was having difficulty myself. I asked her, “Tell me something, without asking any secrets about banker/client confidentiality, are your commercial clients: the medium to small clients, are they suffering with cash flow problems?” “Oh gosh, talk to me about it; everybody from medium to small is having a cash flow problem.”

Last week I spoke to another major bank manager, not one from my bank, and I asked him, “Are you having problems with your customers in cash flow?” “Oh gosh, every day; on the one hand we are a bank and we have to turn the screws a little, but on the other hand we understand, because the money is not flowing.” It is simple. I am seeing and feeling this disconnect. Then I hear, “Business is great; it could not be better,” and I think to myself, “Where am I living?” We are talking about almost two different universes. I come here and listen to the statements being made and, “Great.”

Madam President, if you look at the contributions that I have made in this Senate from January 1987 to October 1990, and from October 2002 to date, you

will see that the themes I have spoken on have consistently been pro-Trinidad and Tobago; I have consistently pointed certain things out. For example, when the National Alliance for Reconstruction came into power and they brought their various budgets and boasted that we did not understand things, I pointed out to them then, "If you are right, then this land will be the land of milk and honey in the next five to 10 years, but if I am right, you are running the country like a business and the gap between rich and poor will get wider."

Today, in this country, we have had the NAR fiscal policies unabated since 1987 to date. What has happened? The rich have gotten richer and the poor have gotten poorer. Fact—the gap between rich and poor in this country today is now obscene. The middle class is the backbone of any community and any country. The larger the middle class, the more stable you are; the smaller the middle class, the more unstable you become. Fact—the middle class is being squeezed and people in the upper middle are now finding themselves pushed down into the middle; people who are in the middle are finding themselves pushed down into the lower middle and those people in the lower middle, are now finding themselves really on the bottom.

There was a time when somebody from the middle class who had some education and some standing in the community, could move into, for example, a junior managerial position in a bank or large company. I am talking about a 25, 26 or 27-year-old. There was a time when persons like that could afford to move out of their parents' home and, if they could not buy immediately, they were able to find good rental accommodation. They were able to start at the bottom end of the ladder. Today, those people cannot do that and there is no real relief, apparently, in sight for them. Yet you hear about milk and honey; things are going well; we are changing things; God is in his heaven; all is right in the world. Yet I see and feel the disconnect; I read about crime in the newspapers. I do not want to be "previous", because I know we have a bill coming up on that and I would prefer not to be anticipatory, but I have not seen crime go down. In fact, I have seen it get worse.

I remember, for example, the former Minister of National Security and Rehabilitation, Sen. The Hon. Chin Lee's budget contribution of Tuesday, October 29, 2002. When you read his speech you would have thought to yourself, "Well, here is a Minister with common sense and a level head." Listen to what he said:

"...we inherited a very bad situation with the E999. It did not have the vehicular mobility to deal with rapid response. The E999 had 12 cars at its

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disposal to deal with rapid response for the entire nation. These cars consisted of many different types and mix such as Taurus and Cherokee. It was imperative for the government of the day to take immediate action to increase its strength of its vehicular mobility.”

Great, the last government messed up, but we have come in and taken the imperative; we have taken immediate action.

Madam President, did you hear the lovely words?

“Immediately, we standardized the type of vehicles that are being used in the E999 and have VMCOTT as the maintenance company to maintain a standard type of vehicle. We increased the total strength from 12 to 114 vehicles in three months.”

Great! So anybody reading or hearing that speech, at that time, would say, “You know what, the boys are on the ball; look at what they are doing; go for it.” In the two and a half years since this speech was made, what has been that reality?

I cannot remember exactly when, but I know that I spoke about it earlier this year. I cannot remember the debate now, but I spoke about one of the teachers in my son’s school who said that she had seen thieves stealing her neighbour’s car and when she called for the police they refused to come, because “It ain’t have no cars right now,” and the police station was only about 100 yards away. What happened to the 114 vehicles? Where did they go?

Sen. The Hon. Chin Lee continued:

“The budget clearly falls in line with the Government’s commitment to addressing aggressively the problem of crime.”

Really? What happened?

“The commissioning of Operation Anaconda, is one case in point. This law enforcement exercise covered all areas in Trinidad and Tobago and it was aimed at curbing criminal activities in the entire country. A review of the data on the success reveals that up to October 27, 2002, 1,687 persons had been arrested. This was realized as a result of a greater level of vehicular mobility within the police service.”

And he went on to repeat about the buying of the 114 vehicles. I could go on, but you get the point. It is almost like they are little children learning the words to a song, but having great difficulty in carrying the tune. If it was not so serious, it would be absolutely distressing—not would be, it is, because it is serious. I got myself mixed up there.



**Sen. Dumas:** Children learning a song. [*Laughter*]

**Sen. R. Montano:** I think everybody understands what I am trying to say. It is absolutely serious and terribly distressing.

The Minister came this afternoon and patted himself on the back with a Standard and Poor's report. I listened with incredulity to the Minister who, by the way, I, personally, happen to like very much. I think he is a very nice fellow. [*Desk thumping*] I will pat on that too. [*Senator raps desk*] Please, take a bow; I like you. [*Interruption*]

I listened with incredulity this afternoon, because the Minister was going on about, "We got our business raised from A-minus to A and from B-minus to B and all the indicators show that we are doing very well." I thought to myself, "Hold it sheriff, she is headed for the strawberry patch." [*Interruption*] The expression is not gender specific. [*Laughter*] What is going on here? I thought to myself, "Hey, are we not in the middle of an oil and gas boom; has the price of oil not gone up by something like 98 per cent, from \$22 a barrel to \$40 a barrel, so what happened?"

It is almost like the man who has \$1,000 in his bank account and a rich uncle dies and leaves him with \$1 million. Is his credit rating not immediately going to get enormously better overnight? How long will that credit rating survive if he spends it all out, as happened in a very well-known case with a well-known mogul who died some 20 years ago and left his son a fortune estimated at around US \$200 million? In a very short space of time, the son spent it all out. When the son started off he had a huge credit rating, but today, some 20 years later the son's crediting rate is shot. I believe you know whom I am talking about. I cannot remember the exact date of the death of the father, but the point of the matter is that many years later, the son does not have a good credit rating. Although I believe that he still has a few million dollars in the bank, it is a few million TT as opposed to US \$200 million. It is nothing like what he had; he squandered it.

My question is: Why was the Standard and Poor's report not better? I ask myself a second question: Does Standard and Poor's not put out a report based on whether a country is good to invest in, that is to say, whether you can make money out of it? What are they telling foreign investors? You can come here and make money out of the country. But you know and I know, Madam President, that there is a danger of foreign investors coming here and ripping us off. They have done so in the past and, if given another opportunity, will do so again; it is the nature of business. I do not blame them, I just say to them, "I know what you are

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about.” When I see a Standard and Poor’s credit rating like this, these two questions address my mind.

This leads me back to the central theme where I started, in the first place, which was: What in the name of heaven is going on? Why is there this disconnect? It concerns me, because if the Government of Trinidad and Tobago is not connected to the people, to the governed, that is how the 1990 coup took place. You are heading for serious social unrest. It is not in our interest, either UNC or PNM, or our interest as a nation, to have this disconnect, and it is something that is extremely critical.

You get this feeling all the time. “Oh, come, we are a government for everybody,” the Prime Minister says, and yet sitting in this Senate, when I listen to the Government ministers, I do not hear any sort of camaraderie, any welcoming; I do not feel that they really are on my side or that they really care about me or my colleagues. We are representatives of those persons who voted for the UNC. We represent approximately 300,000 voters in the country. [Interruption]

**Sen. Dumas:** You are doing a very bad job!

**Sen. R. Montano:** See what I mean; that is a case in point. We represent these people and when you turn around and “lick” us up, laugh at us and all the rest of it, who are you laughing at? You are laughing at the people we represent.

**Sen. Dumas:** Not at all.

**Sen. R. Montano:** When we come here as Senators of the proud Republic of Trinidad and Tobago, we are representing our country; that is who we are. I am a Senator of the Republic of Trinidad and Tobago and I am proud of that. [Desk thumping] The office carries with it a certain status. Why? Because of what we represent or ought to represent; that is the point.

Madam President, you get this disconnect all the time. For example, when Sen. The Hon. Sahadeo was talking earlier this afternoon she boasted, “Government has the right to buy back \$40 million BWIA shares.” Have I missed something here? Did this Government not sell BWIA, in 1995 or thereabouts, for \$10 million? So we sold it for \$10 million and now we got a real good deal, boy. We can buy back some shares, not the full thing. We sold the whole thing for \$10 million, but we can buy back some shares for \$40 million, and that is a good deal. [Laughter] Somewhere along the line I have missed the logic in that.

The Minister was going on about the people being trained in Caroni and all the rest of it. I will tell you what I see down in Caroni. I see the VSEP running out and, in some cases, it has run out already. For example, the Mayor of Chaguanas told me that business in Chaguanas has been down to the tune of approximately \$30 million a month, since Caroni (1975) Limited has closed. Merchants in Chaguanas confirmed that what the Mayor told me is correct. They told me that their business has dropped off like anything. I see Chaguanas and Central Trinidad going through the tubes; real problems are coming there. The bite is beginning to take place now. By the end of this year, I do not know what it is going to be like; by this time next year, it is going to be even worse.

The Minister said, “We are training these people.” So I asked the simple question: Of these people you are training, how many have you given jobs to?” My information is that the answer to that is none. Then the Minister obfuscated; she said something about, “We are training them to be entrepreneurs.” Tell me something: Why are you training these Caroni workers to be entrepreneurs, having thrown them out of a job that was producing something?” These Community-based Environmental Protection and Enhancement Programme (CEPEP) workers, are you training them? What are you training them to do, to cut the side of the road and paint trees? [Interruption] I am not taking him on.

Then you have the Government running all these ads, “Support the Bill,” but I will talk more about them in time. I think it was Sen. Prof. Deosaran who said in his contribution—please correct me if I am wrong, because I was not here for it, so I had to read a lot of the *Hansard*; I may be misquoting him; if I am I will apologize. He said, in essence, that we should not be debating these Bills by spending \$5 million; the place to debate them is here in the Senate; not having all this public relations campaign.

The question which I would deal with in more detail when we speak on the Bills is: Is it right or fair for a government, any government, to spend State funds to promote its legislative programme and not give the Opposition equal funding to be able to put forth its viewpoint? [Desk thumping]

**Sen. Mark:** It is wrong.

**Sen. R. Montano:** If it is right, tell me. I had cause today to write to the Integrity Commission on another matter. I discovered last night from Sen. Basharat Ali that apparently this Breakfast with the Prime Minister meeting was, in fact, a party fund raising affair. I have also told the Commission, “You fellas are creating precedents and you must be very careful, because what you put down

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today will pertain for tomorrow, regardless of the political party in power, so let us, for crying out loud, get it right.” But I am digressing.

Madam President, Sen. The Hon. Sahadeo criticized my colleague, Sen. Seepersad-Bachan, about the comments she made about the Central Bank. Sen. Sahadeo complained that it was making a mountain out of a molehill. I could not disagree with the Minister more. I do not intend to revisit the issue and go over it, *ad nauseam*, but I would point out to her that she is part of a regime that has spent \$5 million on ads when, as Sen. Prof. Deosaran has properly said, we should not be doing that; we should be debating it in here. You are using State funds to promote your own politics.

In Sen. Prof. Ramchand’s contribution yesterday—again, I am using my words—he was critical of the Ministry of Education. He said, in essence, that the Ministry of Education was giving back \$100 million it had not spent because several budgeted projects were not ever begun, most of them being described as being in the design stage. I am reading from my notes here. He spoke about the physical conditions in the schools; the lack of ancillary and secretarial staff or equipment to assist teachers; the dispiriting working conditions of the teachers and the unsatisfactory teachers’ salaries. He asked, in my view, a very sensible question that was not answered by the Minister of Education when she gave her speech just now. How could the Ministry be giving back money in these circumstances? I did not hear the answer; disconnect again.

This is coming from a Minister of Education whose English grammar is, to say the least, appalling. Imagine the Minister of Education—[*Interruption*]

**Madam President:** No personal attacks on the hon. Minister. You have been doing very well, please continue.

**Sen. R. Montano:** Very well. Sen. Prof. Ramchand went on to talk about the waste, incompetence, corruption and lack of progress of the Secondary Education Modernization Programme (SEMP). He said that he would have called for a commission of enquiry into the operations of SEMP, but he knew it would take years and, therefore, he called for an official investigation to report by next budget day, so that the findings may influence the budget. Do you know what? I think he was correct; I agree with him. I think that should have been done.

Instead of the glossing we got from the Minister of Education, I had hoped that we would have had something more substantial. Just to give you an example, the Minister spoke about the seven-member unit to look after 700 schools that she met when she became Minister. Question: You are talking about the seven-

member unit, how many members were in that unit in 1994? Answer: None; the unit did not exist. Would it not have been nicer, better or more governmental to be able to say, "We met a seven-member unit there, but with the constraints on us now we have got to build on that and expand it, because it is too small." But no, you immediately criticize it without even acknowledging that, at least, it was a start in the right direction.

**Sen. Dumas:** It started long before that.

**Sen. R. Montano:** The Minister spoke about the 23 steps. Were they there in 1994? What happened to the 10,000 students that never got placement? The local school boards were an initiative of the UNC. If we are here to make life better for the governed, why is it so difficult to do that?

I am reading from my notes here. The Minister went on to say that the Ministry of Education was working well with the denominational boards and treating them as partners. I sit on the Joint Select Committee that has called in the Teaching Service Commission, the Ministry of Education and the denominational boards. The impression I have got, as a member of that committee, is that the denominational boards are anything but happy with the Ministry of Education and the Teaching Service Commission. They do not feel that they are getting the requisite support in a large number of areas. I do not want to go further into that, because, again, I may get myself into trouble, but I think I am allowed to say what I have said.

The Minister of Education went on to say that the Ibis High School was a warehouse refurbished at a cost of \$30 million. That is not exactly true. The Ibis High School was where BH Rose used to be. BH Rose also had their showroom there; I used to go there from time to time. I bought some furniture from them and where I went was not in any sort of warehouse condition. Furthermore, the Minister was disingenuous when she said, "Oh we refurbished it at a cost of \$30 million." Really? Not quite; the cost included the purchase of the property. You are talking of prime, prime, prime property right here on London Street in Port of Spain, a large property right here in the middle of Port of Spain.

Madam President, I do not have the purchase price with me, but it would have been far more honest had she said, "We bought the building for \$5 million, \$10 million or \$15 million and then we spent \$20 million refurbishing it," or whatever it was. Do not tell me that we spent \$30 million refurbishing it, when you were building schools for \$25 million; it is disingenuous; it is not kosher; it is not straight. Sen. Dr. Kernahan is reminding me that they would have rented for the

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next 20 years, but they own a prime property now. Madam President, you want to bet they could sell it and get back more than their money?”

It is like Sen. Yuille-Williams who was hitting Sen. Mark left, right and centre about his cell phone. What are the facts? Sen. Mark after he ceased to be a minister remained as Vice-President of the Senate. Whether or not he was entitled to it, the fact of the matter is that nobody asked him back for it. [*Laughter*] There is not one letter. He had been told orally that he could keep it and he kept it. [*Crosstalk*]

**Madam President:** I have not stood for the extension of the speaking time, but just to ask Senators to give Sen. R. Montano a chance to speak. I would like to hear what he is saying.

**Sen. R. Montano:** Furthermore, there is not one letter asking him to pay one cent, while he held the cell phone in his capacity of Vice-President of the Senate. Again, all this was obfuscation: look away, look over here. Why? Because Sen. Mark criticized Minister Yuille-Williams for her extended stays at the Trinidad Hilton.

My father was a minister of government from 1956 to 1970. For most, if not all of that period, the highway was not built. I remember my father coming home often two, three, or four times a week at one, two or three in the morning. As a senior minister of government, especially after 1964 when he became the Minister of Home Affairs, I remember him coming home one, two, three in the morning, because his official duties were keeping him in Port of Spain. He had to drive all the way along the Southern Main Road; the highway was not opened. Driving late at night, at that time, took about an hour and twenty minutes. [*Interruption*]

**Sen. Yuille-Williams:** I respect your father so much, that I am afraid to ask this question. Two things: The Parliament regulations allow people who live a certain distance away and who are on official duty at Parliament after 8.00 p.m., like last night, to be housed at a hotel. I want to ask you this second question: Was your father ever in the position that he had to hold the post of Prime Minister, *ad interim*, and therefore had the necessity of using a hotel in Port of Spain? I ask that with great respect to him. I am sorry I had to do it.

**Sen. R. Montano:** Let me answer you. To answer your first question, I do not know. What I do know is this—[*Interruption*] wait a second, hold it, do not go into the strawberry patch yet—I once asked my father, because this was around 1967 or 1968—[*Interruption*]

**Sen. Dumas:** Madam President, on a point of order. I suggest that the speaker is being irrelevant.

**Madam President:** He is responding to a question that was asked by Sen. The Hon. Yuille-Williams.

**Sen. R. Montano:** About 1967 or 1968 I remember saying to my father, in essence, "Dad, you know this is ridiculous how you are coming home like this." I was worried about him, because he was driving home late. In fact, round about 1969, he had just bought a brand new Mercedes Benz and he crashed into the Kirpalani Roundabout, because he was coming home with my mother that night and he, more or less, fell asleep at the wheel.

**Sen. Dumas:** So you want Joan to crash too? [*Laughter*]

**Sen. R. Montano:** I asked him then, "Dad, can you not stay at the Hilton at government's expense rather than come down here?" He said, "Yes," but he felt that it was unfair to put that expense and that burden on the taxpayers. [*Crosstalk*] You do not believe me? Unfortunately, today my father is suffering from Alzheimer's and I would never denigrate my father's memory by saying anything about him like that. [*Interruption*] That is an offensive remark!

**Madam President:** Senators, I think that this whole thing has gone too far. I really think that we need to get off this topic and get on with the debate, please.

**Sen. R. Montano:** Madam President, I thank you and I agree. However, I must say that I find the last remark by the Minister of National Security offensive and distasteful; I really do. In any event, let me move on, because I believe I have made the point and made it well.

I would like to end as I began, with the serious note that there is what I call a disconnect. This disconnect is going to have and could have very unfortunate consequences. About 30 years ago, I cannot remember the name of the person now, but a well-known economist wrote a book. My memory is telling me it was a she, but I would say he just in case I am wrong. In this book the author likened the planet Earth to a spaceship. He said that we were on a spaceship hurtling through space, but there were three different compartments: first, second and third class. What he was saying, in essence, was that if we were not careful, the people in the third class compartment were going to rise up and, basically, destroy everything that everybody has in both the second and first class compartments.

If you just take out the words "Space Ship Earth" and put it as "Space Ship Trinidad and Tobago", the story and the warnings are the same. We have a very

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serious potential problem. The politicking and the division in the society have now reached a stage that is atrocious. It is not being helped with these ads. It is not being helped with the attitude that we have seen here for the last two and a half years, week after week. It is simply not being helped; there is a real and current danger.

In 1990 I began to warn the then National Alliance For Reconstruction government from this side of the House about the same thing. Sen. Prof. Deosaran was here with me at the time; he would remember.

**Sen. Dumas:** You helped to incite.

**Sen. R. Montano:** I told them, "Pay attention; you are running into trouble." "Oh, you do not know what you are talking about." I would say this publicly: It is not in the UNC's or my interest that this Government fails. It is not in the national interest that this Government fails. It is in our interest that whichever government is in power in Trinidad and Tobago, that government succeeds. [*Desk thumping*]

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

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

*Question put and agreed to.*

**Sen. R. Montano:** Madam President, what we have tried hard to say to the Government for the last two and a half years, when we think and believe it is going wrong, is, "Think again about a particular issue," whatever that issue might be. The only purpose for government is to make life better for the governed; there is no other purpose. [*Interruption*]

**Sen. Bro. Khan:** A worthy statement by a worthy son of a noble father.

**Sen. R. Montano:** I would be the happiest man in the kingdom if it turns out that I am wrong. I would love it if 10 years from now you could look at me and say, "You were wrong." I would say, "Glory hallelujah." Unfortunately, I seemed to have been cursed with the curse of Cassandra. Do you remember who she was? She was the Greek prophetess who had the gift of foresight, but the curse that nobody would believe her. There is serious trouble coming.

**Sen. Mark:** I believe so.

**Sen. R. Montano:** It is time that we wake up and smell the coffee. [*Interruption*]



**Sen. Enill:** Thank you. I am listening to you and trying to get clarification. Quite frankly, I accept what you have said and I want to comment on it. The disconnect seems to be not so much with us and the population, but with the way in which we interact in this place. I have chosen, for example, not to respond to being called names by some of your colleagues that I personally find offensive, in the normal course of reaction. Therefore, the clarification I am seeking is: In the context of the disconnect, are you suggesting that there should be a different interaction here, which would translate itself outside? I agree with you that there is a disconnect, but I am not sure how to address that. I hear you talking about it, but I do not know how I can address it when all you do is for everything we say, you attack with full force in such a way that we have to respond. I need you to clarify that for me.

**Sen. R. Montano:** If that was an invitation to treat with it, your invitation is accepted. If, however, it was the question that it was then I would say that I have never attacked you. To the best of my knowledge and belief, because I am not here all the time, I have never heard any of my colleagues hit you in any way other than through good-natured bantering, and I do stand subject to correction. I have heard the Minister get teased occasionally. I would plead guilty to having teased him occasionally, but I have never criticized him in any vicious way.

We though, from the start of this Senate, came under fierce attack. You will remember the former Attorney General hitting Sen. Dr. Kernahan viciously and making all kinds of comments about her. Sen. Baksh has also been hit and told that he would be in jail. If you expect a man like me to get hit and not respond, you have got another thing coming. When you talk to me with kindness and gentility, you are talked back to with kindness and with gentility.

If the Minister meant that it was an invitation to treat with and maybe we could start afresh, I am personally of the view that it is never too late. Talk to us now; talk to us tonight; talk to us tomorrow; talk to us about these Bills. Do not advertise in the press, talk to us; you may be surprised at what you would get. It is in my personal interest that crime comes under control.

May I remind this Senate for the umpteenth time that my cousin was kidnapped and murdered; he was murdered by a policeman. If you want me to I will call the man's name; I am not afraid. Do you want his name? Sergeant Hubert Sharpe; that is the man. I know everything about my cousin's murder. My brother stood in this Senate when he was in Opposition and said that we knew. I also know the names of the police officers that put the cocaine in Sen. Baksh's water tank too. Do you want me to call their names too?

**Madam President:** I do not think you should. [*Laughter*]

**Sen. R. Montano:** I am just telling you that we know. Do not come to us and try to pull the wool over our eyes. Do not come to us with fluff. Talk to us as citizens of Trinidad and Tobago, as equals, because we are equal; 300,000 people. [*Desk thumping*] Talk to us as equals and you will be surprised at the response that you will get.

Madam President, the Attorney General and I have met, as colleagues, behind your Chair. He has told me one or two things.

**Hon. Senators:** Oooh!

**Sen. R. Montano:** To this day and tomorrow and for the next 10 or 20 years, I will never repeat the things that he has told me. [*Laughter*] [*Interruption*] At least the Minister understood. I will never ever disclose what he has told me. I am only disclosing the fact that he has told me certain things, simply to make the point that I respect confidences. We will work and help in any way we can; that has always been our position. If you think that I am going to knuckle under to anybody, you got another thing coming.

**Sen. Dumas:** Nobody is going to knuckle under to you either.

**Sen. R. Montano:** I do not want anybody to knuckle under me. All I ask is that I be respected; if I am not respected then you will get it. All I ask is that I be afforded the treatment that deserves my position as a Senator of the proud Republic of Trinidad and Tobago. [*Desk thumping*]

I end my contribution by saying: Long live the P—the Republic and people of Trinidad and Tobago. [*Laughter*]

**Madam President:** Senators, please; maybe you do not want to go home tonight, but I want to. [*Crosstalk*]

**Sen. R. Montano:** Madam President, I was just going to say first: Long live the people of Trinidad and Tobago and I changed it to Republic. I want to make that absolutely clear. I was not going to say anything else. Regardless of the hilarity and everything else, I was being sincere and I want to close by being sincere.

**Sen. Yuille-Williams:** Madam President, thanks for the few moments. During my response to Sen. R. Montano I made a comment. I hope he did not take it in the wrong light. I want to clear it up. When I asked the question about his honourable father, all I wanted to say was that my stay at the Hilton was at my own expense, on most occasions. As you know, I paid with my credit card

although the manager tells me that my credit card company could give the information.

Secondly, when I am performing duties as Prime Minister, for convenience, I stay at the Hilton. The bill should really be paid from the Prime Minister's Office, but for convenience it is paid from the Ministry. I hope that I did not in anyway say anything about my friend, Mr. Montano.

**Sen. R. Montano:** Madam President, I thought that you had ruled that we would say no more on that issue? If the Minister is allowed to say that, I have more to say on that issue.

**Madam President:** I think we should just leave it now.

**Sen. Parvatee Anmolsingh-Mahabir:** Madam President, I rise to make a short intervention on the Bill before us.

We are all aware that the Ministry of National Security has been allocated the largest amount of money, \$132,300,000, to meet the expenditure outlined under Head 22. Perhaps, it needs to be the beneficiary of a more generous allocation, when one takes into consideration the various divisions falling under that Ministry. However, I shall confine my comments to two areas that need special attention.

The Republic of Trinidad and Tobago is an archipelagic State as recognized by the United Nations Conference on the Law of the Sea (UNCLOS). This gives us sovereignty over a greater area of sea around us than the 1,980 square miles of landmass. We do not have to be economists to be aware that over the past decades the pivot on which our economy spins is located in the marine area. The major national revenues are derived from gas and oil. Further, our gas and oil production revenue far supersedes the land-based exploration, therefore, we must make every effort to protect our vital mineral resources, and security in this area should be a priority. In fact, our most precious resources are the human, natural and mineral resources. Therefore, the national security forces must be tasked with the defence of all these resources.

The allocation of funds under Head 22 for certain things such as the Anti-crime Unit as well as the maintenance of two helicopters are steps in the right direction, but provisions must also be allocated for the building up of our naval strength to protect our mineral resources which, of course, are our bread and butter. Our coast guard needs to be in command of a fleet of ships equipped with

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the latest technology to, among other things, respond to the distress of our fishermen at sea as well as a deterrent to the criminal elements conducting illegal activities along our coastline.

This brings me to another crucial area: airport security. Just recently we read of a mishap at the airport; a water truck damaged a BWIA plane. This is going to cost us some millions. Something more serious than that could happen, especially when we look at the global situation. Everyone knows of the volatility of aviation fluid. I wonder about the vulnerability of our tank farm at Piarco. The security in that area should definitely be upgraded; it can be a disaster waiting to happen. Perhaps the Minister of National Security can reassure us of these areas of concerns.

Thank you, Madam President.

**The Minister of State in the Ministry of Science, Technology and Tertiary Education (Sen. The Hon. Satish Ramroop):** Madam President, I stand to make a contribution on this Bill.

A lot of money was given to the Ministry of Science, Technology and Tertiary Education. Sen. King, Sen. Mark and Sen. Augustus asked questions with respect to some aspects of this allocation. I will try, in my own way, to give some explanation.

Sen. King asked whether we had staffing for the Laventille Technology Centre. She mentioned that when the John S. Donaldson Technical Institute opened everything was in place, but there was no staffing. I assure the goodly Senator that staffing has already been arranged. The Helping You Prepare for Employment (HYPE) programme conducted at Macoya will be transferred to the Laventille Technology Centre. The entire staffing arrangement, tutors and equipment will be transferred also. The Metal Industries Company (MIC) situated at PowerGen will also be transferred to the technology centre. When both institutions are combined, we will have the tutors we want. We will have a complement of 16 tutors. One of the auto and diesel tutors from the Debe Technology Centre will also be coming to that centre. At present, we have a complement of 17 tutors; we need 22 tutors, so we have a shortage of five. By next week we will be advertising for the additional five. With regard to staffing, that is taken care of. I assure the goodly Senator and all Senators in the Senate that staffing arrangements for the technology centre are already in place.

On September 01, 2004, we will have an intake of 180 students. The number will be increased over the next two years to 600. There will be 22 full time and 10

part time positions for tutors, so with regard to the technology centre everything is in train for completion.

**7.25 p.m.**

With respect to the University of Trinidad and Tobago, Sen. Mark asked whether it is a pie in the sky. At Wallerfield, there is much work going on, the place is cleaned up, there are signages in the area and you could know exactly where you are going with the signage.

Together with the University of Trinidad and Tobago, is the Science and Technology Park, which is its main campus and that is also in place. Right now, the TTIT that is situated in Couva is now the Point Lisas Campus of the University of Trinidad and Tobago and there are advertisements for various discipline programmes for students to enroll.

At present 500 persons who have shown interest in the course have received application forms, so come September there would be a University of Trinidad and Tobago situated at the University of Trinidad and Tobago at Point Lisas.

The administration centre of the University of Trinidad and Tobago will also be at the Point Lisas Campus on a temporary basis until we find a suitable site for it. Starting in September some of the courses that would be offered at the university would be a diploma in petroleum engineering, bachelor of technology in petroleum engineering, masters in exploration and production, there would also be the bachelor of technology, electrical engineering, mechanical engineering, process and utility engineering, petroleum and engineering with drilling and production, and also information systems.

The next programme would offer a diploma in technology, petroleum engineering, chemical engineering, industrial instrumentation, mechanical engineering, electrical engineering, telecommunications engineering, computer technology and computer engineering.

**Sen. Seepersad-Bachan:** Madam President, I thank the hon. Minister for giving way. Could the Minister indicate what is going to happen with the TTIT programme, because that offered the same diplomas and degrees? Are they going to be changing accreditation?

**Sen. The Hon. S. Ramroop:** TTIT is now the Point Lisas Campus of the University of Trinidad and Tobago, so whatever is offered is now under the University of Trinidad and Tobago.

**Sen. Seepersad-Bachan:** I am concerned about the amount of work that went into the development of those programmes already. So will you be reusing those programmes? Is it the same thing that was offered by TTIT and just under another umbrella?

**Sen. The Hon. S. Ramroop:** It is in the transition period, and there are alliances we are making with other universities.

Madam President, the University of Trinidad and Tobago will come on stream in September.

I now turn to John S. Donaldson Technical Institute (JSDTI) and the allocation that was given for the re-introduction of the NEC programme, the upgrade of the facilities, and acquisition of equipment. Over the years, before our administration, there was a change in that programme which made room for the College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT) to come on board to look after these institutions. Because of the new programme that COSTAATT had put in place, the NEC was discontinued and as a result of that there were several problems at JDTI and no one could have accessed the craft courses for which there was a great need.

For instance, for one to have a wireman's licence the requirement was a diploma from NEC and that course of electrical installation was terminated. So there was a decline in that area. There was a shortage of qualified persons in the construction industry also. What we had was just a person who had an idea about wiring houses and he would then look for someone to certify. That came about as a result of persons not being able to take the NEC examination.

In order to get the licence as a plumber from the Water and Sewerage Authority (WASA) one needed to have the NEC Diploma and that was not taken into consideration in stopping the NEC programme.

To become a motor vehicle inspector at the Licensing Office, the NEC certification in auto and diesel was necessary. So nothing happened in these areas because of the discontinuation of the NEC.

Before the NEC programme was stopped, there were approximately 2,500 students enrolled at JDTI and 1,500 of them were pursuing the craft and technician courses. These courses were offered free so there were many students taking them, but with the COSTAATT arrangement there was a problem in that students had to pay for their courses.

There was also the introduction of an associate degree, which was a problem because even at the University of the West Indies (UWI) when one finishes a technician course he/she could do a degree at UWI, but with the associate degree one would only get 60 credits, and with the technician 120. So if one pursued the associate degree at John Donaldson it was difficult because a percentage of 85 marks were required to get into the programme, and students are not getting involved in that.

A survey done by the National Training Agency (NTA), showed that there is a need within the construction industry for these skills and that there is a scarcity of masons and carpenters et cetera hence this funding to John Donaldson. In addition to the John S. Donaldson Technical Institute, craft courses will also be implemented at the San Fernando Technical Institute and the Government Vocational Institute.

Craft courses have already started at the JSDTI and we have an enrolled 401 persons for the April batch and in September we would take an additional 460 persons in the craft courses. There is a great demand and in September with the intake of 460, we would have a total of 1,321 persons participating in the NEC craft programmes.

The San Fernando Technical Institute would be taking in 1,200 persons in September. There are no intakes for April. GVC has taken 65 persons for the April semester and in September they will be taking an additional 120 persons which would total 240.

Madam President, in September there will be a total of 2,761 persons participating in the NEC programme and all this would be free to the students. One will see the difference, in that when they have to pay for courses there are many dropouts although the demand is great for the craft programmes.

Madam President, \$1.8 million is allocated for the upgrade of the Eastern Caribbean Institute of Agriculture and Forestry (ECIAF). At present it is very dilapidated and in the same condition we saw at John S. Donaldson Technical Institute, San Fernando Technical and Government Vocational Centre (GVC). No funding was provided and they were threatened that if they did not stop the NEC craft programmes no funding would be given to the institute. This is why the funding is now being given to all these institutions.

The dormitory at ECIAF is in a terrible condition and in the administration building, the teachers' staff room is in an 8 x 10 building and they share desks. The water tanks are not good for human consumption; there is lack of equipment

for them to go to the farm and even though there is much land, they cannot go because there is no tractor and they have to borrow from the Ministry of Agriculture, Land and Marine Resources or depend on other private enterprises to lend them some tools and testing equipment. They were totally starved of funding.

At present, if one were to fall ill at ECIAF, the procedure to get to COSTAATT for something like a plaster is three weeks to four months. There is no system to self-manage their operations. Something went wrong along the way and I am not blaming anyone, but the point is that it happened and we have to rectify it at this time, and that is what we are doing.

There were fees paid by students for a sporting facility and there is no equipment in the gymnasium. The kitchen area is very dilapidated (*shows pictures of facility*). Food is put on the ground, there are loose wires in the kitchen and there is no qualified person to prepare the meals. There is a system where they move up according to seniority and specialized meals are not prepared, those who are vegetarians sometimes have to settle for bread and cheese. The students have complained about it on several occasions and nothing has happened. The allocation given is to rectify that.

The students also pay for laboratory services and there is not even a computer lab at ECIAF at this time, and we are now taking measures to install one. Students have to be shuttled from ECIAF to COSTAATT to use the lab facilities.

The programme also warrants them to go to various areas to do site testings and there is no transportation. They have to beg the Ministry of Agriculture, Land and Marine Resources for a vehicle or hire a maxi-taxi to take them, so some of the students are hindered from doing their practical. All these things would be upgraded. We would be getting a vehicle for them, and upgrading the facilities at ECIAF.

The NTA is now conducting an employers' survey along the lines of the project profile. This is expected to be completed over a period of 244 days and there are three criteria: One is to identify all the existing vacancies in Trinidad and Tobago in all the registered establishments of the CSO; to classify vacancies according to sectors and specific worker categories identified in the dictionary of occupations for Trinidad and Tobago; and thirdly, to enable the Government to match people to existing vacancies thereby reducing the unemployment rate. The result of the survey would be used to inform decisions on employment, training, retraining, scholarship, the emergence of new occupational areas and degree of growth or shrinkage in the various sectors.



As a result of one of the surveys done, we saw a decline in the construction area and this is why we have taken a decision to introduce the Multisector Skills Programme which will come on stream at the end of this month.

We will be introducing this programme and partnering with other contractors in the construction fraternity putting out students in small numbers of eight with one tutor supervising and ensuring training is done within the environment in the various fields of carpentry, plumbing, painting and finishing, masonry, welding, and electrical installation. Trainees will be paid a stipend of \$60 and will be out in the field for four days for practical and one day in the classroom.

At the end they would be certified according to the Trinidad and Tobago national vocational qualifications. The intake of this programme would be persons from ages 18—50. There are so many persons out there who are good carpenters and masons with no qualification. A man could put up a good wall but does not know how to read. Through this programme we would try to bring them up to that level of qualification.

At the end of the six-month programme, he might not be able to read but he would know exactly what it takes to put up a wall and would be qualified according to the level. Someone who did not have the opportunity in the early days to go to school and is now 35 or 40 years and wants to get back in the system could do so and move up to level 3 or even move on to getting a degree. This would be across the board and we hope that it will start by the end of this month and it would be extended. In the first phase we are concentrating on the construction industry, and according to the demand and the result of the survey we would go into other areas.

There is also an allocation for the Youth Training and Unemployment Programme (YTEPP). We have now introduced a stipend of \$24 and this increase is as a result of that. The On-the-Job Training (OJT) was supposed to train 10,000 persons but because of the allocation we were only able to train 7,000, so with the additional allocation we are getting we would be able to meet the target.

Madam President, I thank you and I hope that I have explained some aspects of the relation to the Ministry of Science, Technology and Tertiary Education and the allocation to us.

**Sen. Sadiq Baksh:** Madam President, at this late hour I join the debate on the Finance (Supplementation and Variation of Appropriation) Bill in the sum, the issue of which was authorized by the Appropriation Act, 2004 and to look at the supplementation of the appropriation for fiscal 2004 in the sum of \$664,805,338 which was required to meet the expenditure that was insufficient for the ministry.

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After hearing my colleague, Sen. Montano, I was tempted to temper the contribution in terms of looking at the situation the Government would have found itself in, and look for some middle road by which we would be able to craft an arrow to hit a target of national development so that all of us would benefit.

I know that the Minister of Finance is very accommodating and tries to be very precise in all his presentations in the Senate and I can understand his position. As a Minister of Finance you would find ministries that get a decrease in funding complaining, and those that got an increase thought they did not get enough and the Minister finds himself in the position of being possibly the worst guy, although he is the man carrying the purse.

Be that as it may, when my dear friend Sen. Ramroop spoke, I thought he did not take the cue that was starting to really take some root and went on to paint a picture in which it would make it appear that all the problems—although he said that ECIAF continued to deteriorate and was not maintained for over 40 years which is four decades and I am aware of that. It became worse and worse and the teachers were in a 10 x 10 room like if—

**Sen. Ramroop:** Madam President, I did not say that it was neglected for the past 40 years. I said it was neglected and we are trying to rectify it.

**Sen. S. Baksh:** Madam President, that is even worst in that he gave the impression that over the years—and we understand quite clearly. In fact I thought he would have desisted from that. He has opened up a situation that I do not think he would really like.

As it is, he made it appear as though the room shrunk year after year especially during the period the UNC was there, so that by the time they took office recently, as it was when he assumed that very distinguished portfolio, that it was in fact 10 x 10.

Madam President, what he really failed to say and in clarifying it, taking a cue from the Minister of Education, is that what was the Trinidad and Tobago Institute of Technology (TTIT) in 2002 when the PNM came into office is now the University of Trinidad and Tobago (UOTT). So just at the stroke of a pen, the things they found worked for them and progressed the development of their own programmes, and they would like to do away with the TTIT.

We had created it, we are proud of it, and we are very happy that it is upgraded to the University of Trinidad and Tobago. We do not have a problem with that, and I do not have a problem with the spending that the Senator, in fact,

spoke about and in the increases including the \$24 stipend to the YTEPP, which I think is a really good thing, and would benefit the students who have to travel from the country areas to reach the various locations.

Madam President, the point is the disconnect that my senatorial colleague spoke about. It is really not a disconnect at this level because you need to create and package a mix of solutions as a government, which would benefit the entire country. So that while we have an excellent job taking place maybe in the ministry of higher education and giving stipends and so on, there is even a better job being done in the Ministry of Community Development and Gender Affairs where people feel satisfied to some extent that things are happening.

Then one sees there are other situations. While they are trying to push things forward, there are other ministries within the same administration “lickin down poor people houses” and leaving them in a pavilion promising them food, and yesterday they only got dhal, rice, and a few pieces of greens. That cannot work. There is a disconnect at the lowest level of the society.

The Minister of Education made an outstanding contribution but making it appear that the ministry was established in 2002. That is just not possible. The Ministry of Education functioned for decades and when we were in office, we built on the strides and the foundation left by other administrations. They had universal primary education and it was against the law not to go to school. That was a fine programme, but when we came into office on that foundation we met a situation where 10,000 children did not access secondary education and we built on the foundation left by other administrations including the one now sitting on the other side.

We did not start the Ministry of Education, and in seeing that we had to build the secondary schools necessary, and whereas, I was responsible for the steel, glass and concrete and not necessarily for the curricula, what I am aware of is that very strategic thinking went into the siting, location and construction of all those schools.

Madam President, it was not just steel, glass and concrete, it was about the school improvement programme. So whereas there were schools neglected for a long time—and I did not plan to deal with education, but when I heard the contribution by the Minister of Education which was very good—she made it appear that everything started to take place in 2002 and would finish on the day they go out of office, which would be soon.

The school improvement programme made available to principals in primary schools at all levels—whether they were denominational or government

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schools—a sum of money that was at the disposal of the principal at that school to take care of minor maintenance, any improvements necessary, and to have funding for projects that would be initiated within schools. That was part of the decentralization process, part of the vision of the UNC to make education the platform for growth and prosperity in Trinidad and Tobago. [*Desk thumping*]

The Secondary Education Modernization Programme (SEMP) was a step further in looking at the furnishing, equipping and construction of schools to facilitate that type of development and to then have pilot projects to look at CAPE and other things, simultaneously with curriculum development and making education in a light that would paint the Caribbean and the national circumstances the way it was supposed to. So you are not writing on a winter day anymore, you are writing about what is taking place in reality in Trinidad and Tobago, and hopefully not crime for much longer.

Madam President, in addition to that, the deshifting of schools was a primary objective of the United National Congress and during our administration, we began a vigorous programme in deshifting schools and it is obviously a good one because we see this administration has continued with it and we are very pleased. We believe that the deshifting of schools in Trinidad and Tobago is a priority if education and crime in schools must be solved.

The point I am making is that that was done not just for doing sake but because we had certain objectives when we were in office. We wanted to ensure that we made places available to every child to go to secondary school, secondary education was a priority and we succeeded. [*Desk thumping*]

Madam President, we also had other targets when we came into office and 7 per cent of the population of Trinidad and Tobago accessed tertiary education. We had a goal to moving it up to 20 per cent in the shortest possible time and we see this administration is pursuing a 2020 vision that must include the improvement in the percentage of nationals accessing tertiary education and I am of the opinion that TTIT converted to UOTT would help in that direction. So we are very happy for that and also to see Wallerfield finally converted into something of value to Trinidad and Tobago so we would use the vast infrastructure that was laid during World War II at Fort Reid to make it something tangible, moving it from a crime zone to one of education. You may recall that over a decade ago that a woman and her child were murdered at that site. So it is good to see this administration converting a crime zone into an area that would in fact educate our citizens.

Madam President, the things that we did and what the other side is trying to do show that no government starts off trying to be the worst administration in any country. Some may succeed by trying to do everything possible but circumstances might mitigate many of those things and we must understand that our priority as a country must be education, health care, food, clothes and shelter for the poor, jobs, housing, water, electricity and then maybe security.

Security is something people take for granted. As a nation, we should not have to move from the first priority of being education and replace it with security, and that is where we have found ourselves and that is where the disconnect comes about. We have crime and criminal activities stymying the growth of what should be the most prosperous nation in the world.

**7.55 p.m.**

That is what happened. Different people have different reasons. Why is that so? Some would want to believe that nothing happened before 2001, when the administration appeared to strike up a relationship with a terrorist group. Some might see the rationale and know this was a build-up over time and some might not. The key to it is that we now have crime as the first priority for the majority of citizens in Trinidad and Tobago.

I felt foolish this morning to hear the Central Statistical Office say that over 85 per cent of the visitors to Trinidad and Tobago feel this country is safe. I find it difficult—that is where the disconnect is. A percentage of 95 feel that they would encourage everybody they meet to come here. That is not possible. Whether the people live in Union Hall, Cashew Gardens or Wallerfield, they understand that security is the issue. This is the first time that I have heard any statistics about crime and safety with visitors. I find that strange. They do not live here. What if they feel safer or not? Do you feel safer now than you felt two years ago? The answer to that cannot be yes. The answer to that must be no. How on earth could we tell anybody to feel safer because visitors over a 19-day period for Carnival feel this is the safest country on earth? They must be drunk. Panaroma, the pan gone to their heads.

The time is now. We should be serious about developing a platform for progress and prosperity, where everybody could become the best that he or she could be; feel safe and a sense of hope. Real disconnect is when people have lost hope. People have lost hope that the crime situation could get better. Whether or not it gets better is not the issue; they have lost hope. They do not feel that it is possible. The perception is that things would get worse. If we move from A- to A

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which is fine; BBB to BBB+ which is excellent and A2 to A1, I am all right with that. No local investor looking at those statistics would invest in Trinidad and Tobago. That is for foreign investors. I understand the need to attract foreign investment and the impact on the economy to further provide growth for the country. I am not trivializing this. It is an important achievement but not one that would help a citizen at Picton, Waterhole in Cocorite, Icacos or Guayaguayare.

When I go around the country which I do regularly, people feel that disconnect because they ask: "Where de money gone?" I do not know if they ask anybody else that. They ask me that. [*Laughter*] It is a simple question. They could trivialize it. After three budgets by this administration you have an accumulation of more money than was spent in Trinidad and Tobago during 1970 and 1980. Over the last period more money was spent during 1995 to 2000.

I agree that in community development some things are happening and people are being trained. They are better off today than they were before the training. I am all for the training, but they are not seeing any improvement in the quality of life in their communities and the infrastructure. They are seeing a situation where potholes are creeping back on them. If you see the pothole on Tragarete Road, you would be in trouble. You would want to know who is the Minister of Works and Transport. Around the country it is the same thing. If on Tragarete Road and around the savannah that is happening, you could imagine what is taking place in Cedros, Coromandal, Cap-de-ville and Techier.

I am saying these things to show how things could change. I was pleased to hear how pleased the Minister of Education was with Mr. Kenrick Burgess. He worked with me. That is the same officer who was in charge of the Highways Programme with the north/south highway. I remember my dear friend, Sen. Joan Yuille-Williams coming from south and told me that it was like a scrubbing board. Kenrick was in charge and I thought that he was doing a good job. I never had any problems with him. Just look at what happened. She pointed it out very nicely to me in this Senate, that it could not go on any longer. People were suffering for six and eight months. The project seemed not to be moving. It did not move. That was true. She was not beating up on me. She was pointing out the truth. He was the officer in charge then.

We had criticisms from the other side then and now we have another Minister saying what a great job he is doing. I did not have a problem then, and I do not have one now. At different times on different occasions the same person is getting wood for different things. That is the long and short of the story. How do you expect us to move on?

I had planned to deal specifically with works, transport and housing. I see the increase for the Ministry of Housing. I am very happy that the Ministry of Housing is getting \$30 million more and \$20 million would go towards the Accelerated Housing Programme. This is on page 13 of the document. Could you imagine that this \$20 million would go to facilitate the construction of an estimated 1,500 housing units? This is 8,500 less than what was projected. I do not have a problem with that; I understand the problems. This administration promised to build and deliver 10,000 houses annually to the population of Trinidad and Tobago. This is the third year. This is an accelerated programme, so I expected 11,000. The disconnect is that if you had an accelerated programme and you promised 10,000, they do not expect you to move backwards. They are all rastas out there now. "Dey forwarding. Dem eh going backwards." [Laughter] "It have plenty rastas out dey without house." They thought that an accelerated programme meant more than 10,000. I am not talking about the down payment. I plan to keep it right where it is.

If we are to deal specifically with the situation at hand, we must move forward. I recall that in this Senate, in answer to a question for where the 65 bridges would be built, the Minister of Works and Transport did not recognize that those 65 bridges were completed under the same National Highways Programme, but it was brought forward. If you look around now you would not see any bridges being built. If you drive around the country, to Valencia, Caigual, Ortoire/Nariva or Poole, there are no more rivers. What are they going to do? Dig up some rivers to build bridges? Is that possible? That is the type of thing that causes a disconnect within the population that is aware of what is taking place. The disconnect is not here. It does not matter what we do, it is what we say here. When we convert the words to deeds and the people see them being manifested outside, it is then they would understand. You could fool them; you could say what you want and take how long you want. I would love to see all the roads in Trinidad and Tobago in a good state.

I would love to see success. I am seeing some indications in the Ministry of Agriculture, Land and Marine Resources that things are happening. I want to see more and nothing is wrong with that. It has started and you want to see more. I want to see every ministry become as successful as it could be. You do not need to paint a picture that everything is nice and good and the people are not getting delivery. I have just told you that the Ministry of Community Development, Culture and Gender Affairs is functioning because people tell me that. There are other ministries where it is different.

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When they talk about the Ministry of Works and Transport, the delivery is just not there. Hear what is happening. Across the board, the morale in the ministry is really low. The reason is that there are daily paid employees who in the past came to work at 5.00 a.m. and they had tasks. The foremen and supervisors come at 7.00 a.m. and leave by 7.30 a.m. Those who start at 5.00 a.m. finish at 6.00 a.m. The foreman comes in at 7.00 a.m.; he makes up the time sheet and goes his way. The engineers come at 8.00 a.m. Even worse, when they go, they set up a routine maintenance along the highway and some of the areas are already cleaned by the Community-based Environmental Protection and Enhancement Programme (CEPEP) gang. Lack of coordination ends up in duplication and a waste of taxpayers' money. It is unbelievable. The people in the community are seeing CEPEP cleaning up the place. The same people see the employees of the Ministry of Works and Transport come in at 5.00 a.m.; there is nothing to do and they go their way. Something is wrong. They know something that we do not know. You cannot convince anybody that things are happening when all this foolishness is taking place. Those on the ground floor are feeling the pressure. Everybody who sits in the penthouse does not understand that the people on the ground floor are supporting all the weight of the people in the middle and those in the penthouse.

The port of Port of Spain is in serious crisis. We are back to the days when the port of Port of Spain is now referred to as the "Port of Pain". The port has been without a board since March 2004; not even a cardboard is down there. The port is just on its own and in a state of flux. While that is taking place they are pursuing a policy of privatization. I do not have any problem with privatization if it would improve efficiency and the movements. We started the process of deepening the harbour so that post panamax vessels would be able to dock at the port in Port of Spain. We used the dredged material to reclaim lands where there are opportunities for local business and job creation.

In the budget contribution, I wanted to hear about long-term sustainable job creation and the policies the Government would put in place to ensure that we have sustainable development. On the port the privatization process has been going on for about three years. It started during the administration of the UNC. There is no short-term solution in sight. This also resulted in low staff morale. There is no leadership in the management of the port. You have an acting CEO and no board for three years.

**Sen. Yuille-Williams:** Sorry, I have been following you very closely and I did not want to interrupt. My recollection is that a board had been appointed. It is not the full three-year life because of certain things. I do not think it is quite correct.



**Sen. S. Baksh:** I am guided but that is my information. If you say that, I would take your word on it.

There is an acting CEO for the past year. The delays at the port at this time are a concern to all port users. In the past when you had that problem ships waited outside. That is no more. They move on to a next port of call. They do not worry with your cargo. That occurred two weeks ago when 200 containers destined for Trinidad and Tobago had to be taken to Brazil. Those containers carried goods for Fathers Day and school graduation. That is my information from the affected merchants. They would be unable to sell those products. They might keep them for next year. The manifest would tell you the products. The other Minister in the Ministry of Finance would be aware of that situation.

The core business at the port of Port of Spain is transshipment of cargo. This is at risk because of this situation. One line moved out and there is a domino effect. The long and short of the story is that because of these delays there are all sorts of problems and spin-off consequences. I ask the administration to look at the port of Port of Spain in terms of cargo and ensuring that Trinidad and Tobago preserves its position as a key transshipment port, and not lose out to Venezuela and Curacao which are in close proximity and with very efficient services.

In addition to that, soon the Panorama would go for dry docking. As a short-term measure we had a charter with the Beauport. You know how that was criticized. I do not want to go back there. We would go back to one vessel between Trinidad and Tobago because the other one would be going on dry dock. I want the Minister to say if he would be providing another vessel in the interim, or concluding purchase of the other boat that was promised some time ago. I do not want to go back to that.

We know the problems with sea transport. We are not making Trinidad and Tobago attractive enough to be a home port for any cruise vessel. The Port Authority of Trinidad and Tobago worked hard in terms of making this country a port of call with home port facilities, with the water articulation system; improvements on the berth and other things that were necessary. We hope that the Government would continue to pursue that to make this country a home port for the cruise line industry, because of the number of stops that have been reduced over time for a number of reasons.

In terms of air transportation, we have Senators from Tobago who could tell you that although the Government is pumping in a subsidy to the tune of 33 per cent of the cost of travel between Trinidad and Tobago, it did not improve the

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efficiency of transport between the two countries. Citizens of Tobago who want to come to Trinidad to conduct legitimate business are stymied. People in Trinidad who want to go to Tobago on vacation or business are also stymied. It is extremely difficult. The subsidies the Government agreed to give to other airlines other than Tobago Express and BWIA including LIAT, but they did not take up the offer because they found that the fare was not in line. Caribbean Star is available for that pickup. In LIAT one flight takes up or drops passengers in Tobago. This administration came to improve what was there before and they made a commitment to improve the transportation system between Trinidad and Tobago by both sea and air. I have not seen the manifestation of that. If you do not believe me ask anybody from Tobago who uses that service on a regular basis.

I come now to British West Indian Airways (BWIA) which has an excellent history for safety and reliability. You may question the on-time performance but you cannot question its safety record. It is a company that is 63 years old. It was bought by the Government of Trinidad and Tobago from British Overseas Airways Corporation (BOAC). When we came in office we wanted to maintain BWIA. It is a lofty goal that the Government continues to pursue to keep it as the pride and joy as our national airline, as hard as it may be to do that. I have no problem with preserving the integrity, safety and reliability of BWIA.

You would recall that we worked on getting the accounts and historical data in place to float an IPO. Whether that was good or bad, some would debate it. We recognized that BWIA was a private entity, a state enterprise that was sold to private investors with the majority of shares. The Government owned 49 per cent with a golden share to put it in balance. The airline was sold to private investors to make it more efficient. That did not work. The then administration felt that would improve the efficiency but it did not. While we were pursuing that path, we set an organization in place that needed to be leaner, more efficient and to optimize its fleet utilization and standardization of equipment, on both ground and air, and to look at the staffing necessary because it was riddled with historical problems of being oversized. I am not one for down-sizing or rightsizing. Anything you down-size or right-size is not growing. There was a historical situation where in the reservation system, there were people who always said, "No space." They were blocking seats for employees and other people. That brought us to where we are.

We organized the sale of certain assets for profitability. We tried to motivate the employees and the first set of profits were divided equally among over 2,200 employees, as part of the government's platform for bringing a debt-ridden

organization that previously, never made a profit, but made a profit then on a sustainable basis for three years. Whatever went wrong went wrong. We are now injecting 300 per cent more than we paid for it to keep it afloat. Be it by a letter of comfort, if they default, the Government would pay. I agree with the Government that before it makes any payment to BWIA, it should ensure that it has a strategic plan that would move it from bankruptcy to feasibility. That is an important step. The Government stated that but then it “backed-backed” a little and handed out US \$40 million to an airline that cannot move forward. They need a strategic plan to ensure that the transportation sector, especially our air transportation link with Trinidad and Tobago and the rest of the world remains intact.

I understand the rationale for putting an additional route to Costa Rica, Cuba and other countries in South America. It was a path pursued by our administration as the Headquarters of the Association of Caribbean States and a key contender for making Trinidad and Tobago the capital of the Free Trade Area of the Americas (FTAA). We needed to ensure that we negotiated those routes with the Dominican Republic and Cuba and we initiated the one with Costa Rica that was successfully completed by this administration, thus following a path that we left in place and improving it, so that when we return we would follow again. That was clear.

To do that, we must have had a first-class facility to land those planes. We could not land those planes as the PNM suggested before, on page 35 of the 1995 manifesto, to build an airport in the labasse. The corbeaux are finding it hard to land in the Beetham, far more aeroplanes. That is not possible.

In pursuing a number of objectives and the maintenance of Trinidad and Tobago as the headquarters of the Association of Caribbean States (ACS) and our status as a key contender for the FTAA, we went further than that. We were looking at the construction of permanent headquarters for the ACS on the waterfront. That was part of the proposal. We saw the construction of a first class airport as a key component in the development of the economy of Trinidad and Tobago; the fabric on which the new economy would be built and to diversify the economy, so that when we say in the oil sector we are having 11 per cent growth, we would have built the tourism sector; services infrastructure and look at informatics.

Wallerfield is not a new concept. The land at Wallerfield was vested in the Airports Authority of Trinidad and Tobago. It was part of the plan to ensure that informatics addressing the digital divide using technology-driven industry to spawn new industries and a new economy, so that we would not have a one-legged economy and stand on our feet in the future.

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I am happy that the administration is continuing on that path. I want you to understand the philosophical underpinnings of an administration that clearly took a platform from where we were. We did not invent all the programmes and ministries when we went in office. We met things there and built on them. When we were removed from office we left them and there are many areas in which I am very pleased to see the administration follow. There are many other areas that I would love to see them do more. People want more. The area I recommend to the administration to follow is to look at addressing the disconnect between the ordinary citizens in Trinidad and Tobago and the other people who appear to be in the penthouse of the society. To do that, we need to enquire from them whether they are satisfied with the way they are governed; the way we interact at this level or whether they would like to see any different form or mechanism by which they could be governed.

In addition to that, I would like to see the Ministry of Community Development, Culture and Gender Affairs converted to the Ministry of Food, Clothes and Shelter, especially for the short-term. I feel certain that if the Ministry of Community Development, Culture and Gender Affairs is given the responsibility to look after food, clothes and shelter for the people who find themselves dispossessed; in circumstances where they cannot take care of themselves; in circumstances of error by the State or anyone, they would have somewhere to go. They would have hope that they would be able to find some clothes, food and shelter to tide over to the next day. That is an important ingredient in ensuring that the administration and population remain in unison. If we are in a position to just provide food, clothes and shelter to any citizen who needs it, I assure you that our crime problem would be reduced considerably.

I move from poverty to security. I am a supporter of the police service. I know that we cannot be foolish to believe that every police officer is here to protect and serve. I had implicit trust and faith in the police service in Trinidad and Tobago. I also have to listen to the people on the ground floor, the grassroots who tell you from time to time, that there are officers who participate in activities that are not acceptable to people in the police service.

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

*Motion made.* That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. C. Seepersad-Bachan*]

*Question put and agreed to.*

**Sen. S. Baksh:** Madam President, I did not plan to do that. I am not accustomed doing that, but I am very sorry. I would not be much longer.

The real position is that some officers need to be reined in. We have to find the mechanism whether we are looking at it from La Tinta to O'Dowd, or through all the problems that we have had. I have reason to look at those things to see in my case how those matters come out. In my case, immediately after cocaine and missiles were found in my water tank, I heard rumours and people told me who were involved. I do not take rumours. It must be factual and people must be willing to come forward to say from where they got their information, so I could pass it on to the investigating officer.

Madam President, I assure you that whenever I find the person who gave me the information before and continues to give the information, and the person is willing to say where he or she got that information, I would make it known to the investigating team. It is imperative that we get to the bottom of this very heinous act that was committed. It is part of what people fear in Trinidad and Tobago. If it could happen to Sadiq, what about me? That is a serious problem.

**Sen. Joseph:** Thank you, Senator, for giving way. I do not know if you recall that on a Motion on the Adjournment—you may not have been here—your colleague Sen. Wade Mark indicated and I think Sen. Robin Montano—I have it on *Hansard* because I have used that as the basis to send to the Law Enforcement Agency to follow up—that they know the names of the persons who are responsible. Are you saying Senator, that that is not so, or they did not tell you?

**Sen. S. Baksh:** Madam President, when these names were drawn to my attention, I treated them as hearsay at that time because I asked the person if he or she would be willing to come forward and say that he or she told me that. I was not willing to say someone told me that and when I ask the person he or she was not sure. Many persons gave all sorts of names that I do not believe would participate in those acts. Worse, is that at that time I did not believe that the police would ever get involved in any act of that kind. I would be foolish when a junior officer comes forward and says—it was reported that a junior officer said in the presence of his senior officers that other people knew. Then, I must begin to look. Whenever I get that information I would be the first to pass it on to the investigating officer who acted professionally and within the law to ensure that he expedited every possibility. I am sure that if he has the information he would pursue the perpetrators of that heinous act. That is my position.

Having said that, the time is now when the Minister of National Security must develop plans and policies, whether public or private, that would get the ordinary

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citizens to understand that these criminal activities taking place throughout the country are affecting their growth, prosperity, security and peace of mind. That is the long and short of the story.

In Trinidad and Tobago we have 1,799 polling divisions; over 7,000 police officers and almost 5,000 persons in the coast guard and regiment put together. I suggest to the hon. Minister that he put a team together. Assign a police officer; train a person from that polling division that might fit the credentials of a special reserve police officer (SRP); an army officer and maybe someone from the coast guard, so that there would be four persons in every polling division and maybe a private security officer from the community who understands it and post them at makeshift police posts, or designate areas where they could be housed within the community. I am certain with my knowledge of the country—Sen. Yuille-Williams would be able to counterpart me any time to find a house for those officers whether full time or part time.

You would be moving the security and handling the mobility which I understand they cannot handle. They need 1,000 vehicles to get the police mobile. Maybe, the Minister of Finance would say if we have the funds or get it from some of the other programmes. I suggest that you move the police into the community in a meaningful way and get them in every polling division where there is an average of 200 houses or 600 voters. You might end up with about 1,000 persons. There would be a distribution spread that would not be hampered by the lack of transportation. I am not suggesting that you put them to walk the polling division. They need to have some sort of mobility, maybe, a mountain bike or something. The time is now. We cannot wait for a short, medium and long-term plan for national security. We need an immediate, a short, a medium and long-term plans. That is the only way we could reconnect with the citizens of Trinidad and Tobago.

Thank you.

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, from the information that is available to me, we had 20 speakers or thereabout. I thank my colleagues on both sides for their excellent support because sometimes I feel as though, we agree more than we disagree. I want to deal with a couple of issues that I do not think were covered during the debate and to lend some clarity to some of the issues that we spoke about.

The first thing that we need to be aware of is that the Bill we are debating is the second part of the Appropriation Bill 2004. When Senators asked the question

about how much revenue and how it is being spent, that information was given. For clarity, we started with the position that we ended up at when we debated this matter on the last occasion. We said on that occasion that after taking into account all our plans, revenue and expenditure which we deliberated on, we would end up with a deficit of \$312 million. That should have been the starting point in having this discussion.

We identified in the review—I hear comments about taking away money and losing allocations. When we do a review at mid year we look at where projects are in their cycles and make a determination between the review process and at the end of the financial year, whether or not those funds that were originally allocated would be utilized. In many instances, for whatever reasons, there are capacity issues. We make a determination that the timing for those funds is not then. Therefore, no amount of wishing that you put here, there or somewhere else would change the fact. You are looking at the capacity of the system to do things in a particular way; evaluate that performance or lack thereof and make adjustments. In much of the information that we produce we have very concrete information about why, why not, when and how.

I wanted to make that particular observation because very often one gets the impression that Senators believe that you are taking away something that is important. In fact, what you are simply doing is saying that at that point in time, based on the management and implementation of the resources, those allocations that you thought would have been utilized, the system does not have the capacity to deal with them. Where there are capacity surpluses in other areas, you reallocate funds in there. By way of completeness, our budgeted revenue projection for 2004 in the statements that we made prior to this debate has moved from \$18,000,792,000 to \$18,000,000,960. Our revised 2005 position is based on a revenue increase of just under \$200 million. That is taking into account what we see as at the end of the last review; projecting it to the end of September and looking at the cash flows that we would receive. In terms of expenditure it has gone up by about \$300 million.

In a real sense, when you look at the total movement there is no issue with where the resources are coming from because it has been programmed. Quite frankly, the system that we operate on is a cash system. We are seeking to allocate the cash to those projects that have reached a stage where they can move forward.

In this country we have two institutions that provide data.

**Sen. Seepersad-Bachan:** Let me get the figure. You said that you increased your projection to September by \$200 million and that is what you are using to fund the expenditure.

**Sen. The Hon. C. Enill:** I started by saying that if you started with a deficit of 312; increase in revenue of 167.4; supplementary allocation of 664; increase in unemployment relief; increase in direct charges and savings identified by projects of 494; the net effects of that is 514 deficit. If you forgot that and try to move from the original budget of 2004 to budget 2005 revised, in terms of budgeted revenue, you would move from 18.792 to 18.960. If you extrapolate all the other things that we talked about, that would move you from 312 deficit. [*Interruption*] I have 18.792. It includes capital. The capital is 357.

There are two institutions that provide statistics for us. One is the Central Statistical Office (CSO) and the other is the Central Bank of Trinidad and Tobago. For a very long time, we have had the situation where the Government must use the numbers from CSO and most other institutions use the numbers from Central Bank. There are differences in the estimates produced by the two organizations. In 1991, there was an IMF mission and extensive work on this issue was done by Pariagh and Coker, two of our people and Michelle Francis and Coker from the IMF.

I would share with you what they found. They said that the CSO computes a constant price estimate in dollar terms while the Central Bank computes a base weighted quantity index. Although the two series have the same base year, 1985, one is valued at market prices and the other at factor costs. I have seen in the discussion that weight and pattern differences in the evaluation can affect the constant price estimate.

The coverage of the CSO is more broad-based while for the Central Bank it is not as extensive. The Bank does attempt to ensure that the key industries in each of the sectors are covered. In addition, the extrapolators used to measure real value added but the two institutions may vary within some of the sectors.

Of utmost importance is the fact that when the numbers from CSO become available in the review of the economy in September, that information only pertains to the first six months of the year and would be revised at least twice, before the numbers become final for a particular year. The Central Bank's first estimate for the year becomes available in April for the annual economic survey.

Recognizing this challenge, we are taking the opportunity to fix this problem by doing two things. One is that for a very long time the IMF has recommended that we look at the base year and review it every five years. This is because the make-up of the economy is changing at a rate. For example, we use 1985 as a base year, but when you look at it, gas was not a major factor. A plan is taking



place now where we intend to look at using 2000 as the base year and do the work that is required. In doing that work we expect that the resources required by the CSO would make the information that the Central Bank is now trying to put out less relevant. If you are getting credible data on an ongoing basis—we were trying to fix that particular statistical issue because we recognize that you cannot make good decisions on the basis of bad data. I thought I would put that on the record as something that is currently under review.

There has been some discussion on revenue. The Board of Inland Revenue administers and collects taxes under the various tax laws, the most important of which are the Income Tax Act, Chap. 75:01; the Corporation Tax Act, Chap. 75:02; the Petroleum Taxes Act, Chap. 75:04; the Value Added Tax Act, No. 37 of 1989 and the Land and Building Taxes Act, Chap. 76:04. In addition, they also administer other types of statutes that have revenue implications. There is the Club Gaming Tax on members' clubs; the Motor Vehicle Tax; Transport Tax; Tax Clearance Application Tender; Hotel Accommodation Tax; Tax on Financial Services; Insurance Premium Tax; Auctioneers Laws of Trinidad and Tobago; money lenders and pawn brokers.

The revenue streams are not only on oil and gas that we focus on, but all these contribute towards the revenue stream. I raised that because we have been doing some work at the level of the institutions. We have been identifying the progress by which these institutions need to retool or re-engineer themselves so that they could deliver goods and services.

One comment that has come through this entire debate has to do with disconnect. It is really the failure of our institutions to deliver a level of service to our people. The reason is that in many ministries because of the current systems, we have not put in place institutional arrangements that allow the systems to operate properly. There are situations in management of these large businesses that you cannot do succession planning because you are not in control of your human resource. When we talk about reform and changing the legislation, it is about trying to find a mechanism that would correct that deficiency.

I like to talk about the Ministry of Finance because it is the one that I am aware of. This ministry currently has significant vacancies in areas that I do not consider that we should have. The system by which we deliver service does not allow those who are in charge to deliver a level of service that is consistent with the objectives of the administration. Every time you talk about changing that system there are those who would argue that if you seek to get accountability from people, you are politically interfering with the public service. We have to work out whether or not we understand what we are saying in some instances.

For example, in one unit that manages debt an individual turns up one day because a vacancy exists. The first thing the individual tells the head of the division is, "I really do not like figures." This is a debt unit. You have a situation where the system sends an individual who says, "I really do not like figures." Yet, the individual who has been doing the job for the last three years and doing it well would not be confirmed because there is somebody else whom the system believes is the better person. That is the reality of the system that we operate in. In all that we do, if you find that there is a disconnect, I suggest that we need to examine those institutions and arrangements that do not allow us to intervene at the level, where we could provide good service to the citizens.

When we get to the Police Service Reform Bills we would demonstrate that. I do not want to get into it now. I believe that there is a disconnect because people do not understand what we are dealing with or decide that if we fix this particular problem, whichever government is in power at the time would have absolutely no problem with delivery. Therefore, you would not be able to move them simply because they would deliver services at a level that the population would be 150 per cent satisfied. I understand that in the context of the business. As a person who understands management, the current systems that are available to us cannot achieve the results, because we do not have the wherewithal to motivate within the system, those individuals who are charged with the responsibility, because as soon as you do it and enthuse them, somebody decides to move them to another place because according to the system, that is where their range is and where they should go. In our view, that is one issue we should deal with.

There is one other small issue. The community that we serve, the people of Trinidad and Tobago, listen to much discussion by individuals who are thought to have knowledge about economic and financial matters. Much of the information is misleading. Whenever we have an opportunity to put information on the record that everybody has access to an independent source, the same population could make a determination as to whether or not they would believe one, two or three, in the fullness of the discussion that they have the information. I see nothing wrong with that. I think that when we are doing well, we should say so because when we are doing not so well everybody knows. The statement that was made is information that suggests that we are doing some things well and we need to work on some other things. I see absolutely nothing wrong with that.

Let me deal with some very specific issues because they are the general issues I wanted to raise. Sen. Mark talked about a number of issues. During the course of the debate I think that most of the issues that he raised were dealt with. Sen. Prof.

Deosaran spoke about CSO versus Central Bank. In some instances he supported some of the allocations that were made. Sen. Mary King talked about a number of things but she is not here, so I would deal with that at some other point in time.

Sen. Prof. Ramchand talked much about a number of things. One of the questions I wanted to ask him is whether or not he had a view on the relationship between the Central Tenders Board, the Solicitor General, the Ministry of Works and Transport and the financial relations as they relate to these questions he was asking relative to the process.

**8.55 p.m.**

Much of the bureaucracy that we talk about, we are the ones who have decided that it should be so because these are laws that we have made and we believe that these are the laws that protect the ordinary citizens as we carry out our objectives. I think it is very unfair, on the one hand, for the Parliament to say: “These are the steps by which you must carry out your responsibilities”; and, on the other hand, to say: “Why are you doing it so?”

In the performance of the Public Sector Investment Programme, there are basic rules we must follow. The consequences for not following them are extreme. We do not believe we should put people at risk by asking them to do something that that law does not allow. Therefore, in those circumstances, we have to make a choice. We have to develop institutions to try to look at ways in which we can deliver in spite of, but at the end of the day the accountability stops with the Minister and therefore he must make a judgment. I think the Minister of Education did it quite well.

Sen. Bro. Khan, thank you for your gracious comments. You had a question on the effect of poverty. One of things we have done on coming into government—the first thing we did, quite frankly—was that we looked at where poverty existed in our society and we determined, in the context of the wealth that we had, that we should put some of those resources in the social services sector, and we have done that. As we do that, we find that there are other situations that are coming at us fast and furious. These situations did not come overnight. These situations did not come over the last two years. These situations are coming to roost now because some choices that were made in the past did not accommodate the issues and when some of our commentators speak, that factor is not taken into account. I just wanted to put that in some kind of perspective.

I will talk a little about Sen. R. Montano’s comment about the rich getting richer and the poor getting poorer. Madam President, if you look at how the

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system works, you will find that employees basically do not get rich; few employees get rich. Employees as a class, basically, live in a particular way. The reason is that their additional discretionary income is fixed on the basis of the industry they are in or a number of other circumstances.

One of things we did is that we attempted to reduce personal income tax, which, in one instance, would give them more take home pay. More than that, you have heard us say that what we really need to do is to increase entrepreneurial activity and to try to put in place institutions and funding that will allow them opportunities. It is only in those circumstances that they would be able to increase the revenue that they can get. How else are they going to get it? In terms of looking at it—and we have grappled with it—we really have to move a whole section of the population from simply being employees to being wealth creators or owners of enterprise.

Sen. Baksh asked where has the money gone. If he looks at the pattern of expenditure, this is what he will find. The pattern of expenditure is not based on something you create just like that; it is based on what you met. Personnel expenditure, for example, for the Government is \$5 billion a year. We start with a salary bill of \$5 billion. Debt servicing is \$6 billion. I assume that all the debt, to attract this level of cost, was developed over the last two years, but when I look at the information it does not say that.

Let us understand something. Every single year there is a fixed expenditure of \$11 billion just doing absolutely nothing. Then there is the question of current transfers and subsidies, which amounts to another \$5 billion. There are goods and services, \$2.6 billion. What we have done this year is that, in terms of infrastructural development, the Public Sector Investment Programme, from the central government side of the business, we have allocated \$1.8 billion. I think that the highest we have ever allocated before was \$1.2 billion.

That is where the money has gone. The money has gone basically in paying debt, in servicing the human infrastructure that we have, in supporting the old, the infirmed and some of the individuals they talked about and in providing goods and services and minor equipment, that is to say, chairs and tables and those kinds of things to run your business. What we are doing in some of the other things that we are looking at is getting the private sector to partner with us to develop new industries and to move towards economic diversification, building on what we have achieved.

Madam President, the hour is late and we have had a full discussion on this matter. There are some questions for which I do not at this time have technical

information, but I would look at some of the comments in the Hansard and see whether or not we can start this process that I hear Senators challenging us with.

Let me say that, in a sense, I believe, like you when you came into government, you had to spend some time evaluating things and I think that we have reached the stage where we have evaluated. Many of our plans are starting to take place and you should see an acceleration of some of the projects because we have done the work. We believe that we have the right plan. You may disagree with us, but I think that we have demonstrated one thing—that as we move forward, we are doing so for the benefit of all our citizens.

There is a body of thinking that seems to be emerging that says that regardless of need, for every one that I get, you must get one too. I do not think that is acceptable. The fact is that whenever we do our programmes, they are basically for all citizens and if there are instances in which you believe that there are citizens in need who are not benefiting, then bring it to our attention and we will deal with it. We really do not subscribe to the view that it is one for you and one for me simply because we are here and you are there. That is not how it works, and it will never work that way.

I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

**The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill):** Madam President, in accordance with Standing Order 63, I beg to move that the Bill not be committed to a committee of the whole Senate.

*Question put and agreed to.*

*Bill accordingly read the third time and passed.*

#### ADJOURNMENT

**The Minister of Community Development and Gender Affairs (Sen. The Hon. Joan Yuille-Williams):** Madam President, I beg to move that the Senate do now adjourn to Tuesday, June 22, 2004 at 1.30 p.m.

I am reminded, Madam President, that next Tuesday is Private Members' Day.

**Madam President:** Hon. Senators, there is a matter to be raised on the Motion for the adjournment of the Senate.

**Caroni (1975) Limited  
(Status of 2004 Sugar Crop)**

**Sen. Dr. Jennifer Kernahan:** Thank you, Madam President. The matter for the adjournment of the Senate is the status of the 2004 sugar crop.

Madam President, at last report, the 2004 sugar crop was due to come to a close on June 11, having been extended from May 28. At this time, it is of the utmost importance that the Minister of Agriculture, Land and Marine Resources be brought to the Senate to account for the success or failure, as it may be, of this extremely important crop. The success or failure of this crop is of vital importance, not only to the sugar workers in the factories, but also to the cane farmers—over 7,000 cane farmers and their families. It affects the lives of thousands of input suppliers—the business community who supply goods and services to over 40 villages, which participate in the economy of sugar.

Madam President, earlier Sen. R. Montano spoke to the downturn in the economy of central Trinidad, especially Chaguanas, which was directly attributable to the decreased wages available to the residents who formerly worked in the sugar industry. A few months ago, soon after the start of the crop, we denounced the Government's unseemly rush to sever over 10,000 sugar workers from productive employment and to destabilize the family and community life of thousands of workers simply because they are not perceived as supporters of this particular political regime. They did not put certain measures in place to ensure, not that the people get VSEP and the pittance they carried home and the former sugar workers would have gotten access to plots of land for further agricultural activity, this is part of it, but our concern was that this was a major transformation process taking place in our country in spite of the calls of all the stakeholders—eminent economists and professors, a working group formed at the university to deliberate on this problem. Despite all the calls from the stakeholders for that transformation process to be brought into the public domain, to be understood and debated by all sectors of the society, this process was not gone through because they are talking about a national asset of 77,000 acres of land belonging to the now defunct Caroni (1975) Limited.

We are talking about assets of land, of ecological assets of water, of human resources and how we are going to transform all these resources into a viable, diversified economy that will benefit, not only the ex-workers, but also the entire country. This was the sort of debate we had hoped that the Government would bring to the Parliament and to the national community.

When I heard Sen. The Hon. Christine Sahadeo talk about the fulfilment of their plans for Caroni (1975) Limited in terms of VSEP and distribution of land, that is not the question. The question here—and I will probably later on deal with what really is at stake—was based on the recommendations and ideas put forward by the eminent group of university professors.

To deal with the sugar crop as has been accomplished over this last month, we denounced the fact that the Government, a few months ago, proceeded unilaterally to break with the sugar production Act under which Caroni (1975) Limited was able to interact with cane farmers under certain strict procedures. We felt that the lack of a centralized authority, which would control the crop in a holistic way, would redound to the disadvantage of the cane farmers and we pointed out that this would lead to chaos and confusion in this organization in the reaping of the crop vis-a-vis the canes of private farmers and the canes of Caroni (1975) Limited.

We pointed out that there was going to be conflict because we need a centrally situated organization which would ensure that private cane farmers would get canes into the factories to be processed on time and that the canes of Caroni (1975) Limited would not be prejudiced.

We had this ad hoc situation arising whereby individual farmers or organizations were given scales and there was a lot of competition among different organizations for the scales. There was rampant discrimination against farmers who belong to one or another organization. We predicted all this and registered our dismay and confusion over the fact that there was no organization and real vision for what would happen under the circumstances.

Everything we said came to pass because in the newspapers as recently as Saturday, April 17, there was a headline on page 5 of the *Newsday*, that the sugar crop 2004 was the worst in history. In a meeting with the Minister of Agriculture, Land and Marine Resources and the various farmers' organizations, several problems were outlined by them and their leadership. Some of these problems were the pile-up of the sugar cane in the fields, the decreased grinding capacity of the mill, the harvesting of the company's canes to the detriment of farmers' canes and problems with the transporting of the canes from the fields.

The representatives of the Trinidad Islandwide Cane Farmers Association (TICFA), a Mr. Lalan Ramjaran, said that they gave them a rundown on the crop that day and the picture was not too nice. Some of the problems we pointed out at that time have come to pass. They may seem trivial to people who do not have to

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face the realities of what is happening in these communities at this time. There are small farmers with five to ten acres of cane, which is their livelihood for about six months of the year, depending on the price they would get for the cane on which they have sweated and toiled. These cane farmers are very productive and hard working. They sweat and toil for every cent that they earn on these canes. Then there is a situation where the whole sugar industry, which started with 30 acres of Caroni lands, totally neglected by this Government in the mad rush to sever the workers from production, and these lands have become overrun with froghoppers and the drainage facilities and roads were not cleared. It took the Government, the Ministry of Agriculture, Land and Marine Resources, \$30 million, apart from the miniscule increase in prices for the farmers' cane, to retrieve a situation that was deliberately created by this Government, when they refused to upkeep the 30 acres of Caroni's canes. This is a total scandal and a disgrace.

We have come to the point at which we want some accountability from the Minister. The Minister, when we raised the question of how the crop was going to be managed in the absence of centralized management, in the absence of a cohesive approach, in the absence of any sort of vision as to what would be the outcome of this chaos, said that the company was on target, everything was fine and that the target of 75,000 tons of sugar would be achieved.

It would be very interesting for us to hear from the Minister, at this time, an account to the national community for this crop and for the millions of dollars that our most vulnerable, hardworking and poorest farming community has lost as a result of the total mismanagement of the 2004 sugar crop.

Madam President, as I said earlier, our concern is not just the mechanics of Caroni (1975) Limited, but the whole process of transformation into a productive, viable, diversified enterprise that would benefit the whole of the national community and not just a part; that the whole national community is properly identified and documented by professors from the University of the West Indies. When we speak of this transformation of Caroni (1975) Limited, this is what we are speaking about in addition to the ad hoc, wasteful, inept and inefficient manner in which the sugar crop was managed this year.

I would like the Minister to account to this Parliament.

**The Minister of Agriculture, Land and Marine Resources (Hon. Jarrette Narine):** Madam President, I came here this evening to answer a motion on the adjournment—the status of the 2004 sugar crop.



Our target for 2004 was never 75,000 tons of sugar cane. The crop, which was started on January 12, 2004, was supposed to have ended on May 28, 2004. The original sugar cane estimate was 750,000 tons of sugar cane and that would have produced 55,000 metric tons of sugar. There was an extension of two weeks, which took us to June 11. At the end of this extension, the farmers appealed to the Ministry of Agriculture, Land and Marine Resources, while it had a commitment to the Ministry of Trade and Industry in that the Sugar Manufacturing Company Limited has responsibility for the Usine Ste. Madeline sugar mills. I approached the Minister of Trade and Industry, the Hon. Kenneth Valley, and got that extension of five days, which ended at 11.00 a.m. today.

The original sugar cane estimate, as I said, was 750,000 tons. The company had to do a revised estimate since it was not anticipated that from Caroni (1975) Limited and the farmers, they could not have made the 750,000 tons of sugar cane. The revised estimate was 690,000 tons. The actual sugar cane harvested as at June 12, this year, was 605,854 tons of cane. The four days would have yielded 20,000 tons more and the total would be in the vicinity of 625,000 tons of sugar cane harvested in 2004.

Farmers did supply 523,150 tons of sugar cane at that date and were expected to add 20,000 tons by today. Therefore, Caroni (1975) Limited harvested 82,704 tons of cane and the estimates were that they would provide 100,000 tons, so that we fell short by 17,296 tons.

Madam President, I wish to inform you that 43,500 metric tons of sugar was produced this year by the Sugar Manufacturing Company Limited and the protocol sugar quota of 44,000 tons has been met. The protocol for the sugar cane for export is more or less 5 per cent, which means that we have fulfilled our quota for this year, in spite of all the doom and gloom statements that were made.

The remaining quota of 500 tons will be credited to the 2005 sugar cane crop. There were constraints and they are all aware of some of them. The weather conditions this year were not as normal and we had intermittent rainfall throughout the year. Apart from that, there were industrial problems at the factory and you would recall, Madam President, that workers, in the month of March, went on strike and were off the job for approximately two weeks.

The sugar company had indicated to the farmers that they were to form cooperatives and they were the ones to man the scales and that the Ministry of Agriculture, Land and Marine Resources would provide the funding for them to manage the scales. I would like to say here that out of all the scales that we have,

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the company had to manage 12 because the four sugar cane farmers unions did not take the responsibility for getting the cane to the scales and to the factory.

The poor quality of cane has also created a problem for us. Over the years Caroni (1975) Limited has distributed to the cane farmers urea alone. Farmers have been asking over the years that a mixed fertilizer be provided for them so that they could get a better yield. The sucrose content in the sugar cane will be more. I am happy to tell you this evening, Madam President, that we have ordered the fertilizer for this year and that we expect to get a better yield next year—26-0-26. This is a mixed fertilizer, for the first time in many years.

We also had problems with the factory. It may sound difficult, but this is the third time I am here to answer this same motion. The problem with the \$20 million mill that was bought for Caroni (1975) Limited from Dhanpur continues to give problems and my information is that Caroni (1975) Limited has spent, up to this point in time, on that Dhanpur mill, over \$100 million although we only paid \$20 million for it.

It was a mill that was parked outside Dhanpur. It was obsolete and it was purchased by Caroni (1975) Limited—no fault of anybody here—and the government of the day sanctioned that. The farmers had problems and I can tell you that we are purchasing sugar from Guyana, although that was not mentioned here. We have purchased 35,000 metric tons of sugar, raw sugar, which is being refined by the factory, to be made available for local consumption.

I also understand—and I do not want to make an announcement here—that there is a new industry started at Usine Ste. Madeline by one of our companies here in Trinidad. They are now purchasing raw cane to put into a downstream industry, and that is where we are supposed to go. The downstream industry is where the added value is placed on sugar. This is the first year we have met our quota and I am certain that by next year we will be doing more sugar cane.

This factory is now purchasing green cane, which can last about two weeks, so that there would not be cane outside the factory. Yes, we had a pile-up. I agree with the Senator. Yes, we are still selling cane. So the farmers cane that are in the field can be sold to that company, which is near Usine and which is going into downstream products.

I think in the near future the company would make an announcement. They probably do not want to say so now because it is a pilot project and they are looking to see what a success it will be.

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Madam President, in the Bill that was just passed, we got \$30 million more. We had \$60 million, but we had to pay \$30 million in debt that we got this year and really \$60 million, which was paid for and I need not repeat it. What I can tell you is that last year, 2003, the Government had made a commitment of a loan of \$489 million while the subventions were \$90 million and there was a minus of \$229 million lost. This year, because of the sale of sugar, we are going to make profits of \$200 million. We have a subvention of \$60 million; therefore for the first time in many years, the people of Trinidad and Tobago have seen a profit from sugar of \$160 million.

Thank you very much.

*Question put and agreed.*

*Senate adjourned accordingly.*

*Adjourned at 9.30 p.m.*