

*Leave of Absence**Thursday, October 21, 2004***SENATE***Thursday, October 21, 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 wish to advise that the President of the Senate, Sen. The Hon. Dr. Linda Savitri Baboolal, is at present acting President of the Republic of Trinidad and Tobago for His Excellency the President, Prof. George Maxwell Richards, who is out of the country. During the absence of the President, the Vice-President will preside over the sittings and Mrs. Magna Williams-Smith will act temporarily.

I have also granted leave of absence to the following Senators: Sen. The Hon. Dr. Lenny Saith from today's sitting and continuing; Sen. The Hon. John S. Jeremie, for the period October 19—24, 2004; Sen. The Hon. Martin Joseph, for the period October 18—21, 2004 and Sen. Prof. Kenneth Ramchand from today's sitting of the Senate.

SENATORS' APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from Her Excellency Dr. Linda Savitri Baboolal, acting President of the Republic of Trinidad and Tobago:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency DR. LINDA SAVITRI
BABOOLAL, Acting President and
Commander-in-Chief of the Republic of
Trinidad and Tobago.

/s/ Linda Baboolal
Acting President.

TO: MRS. MAGNA WILLIAMS-SMITH

WHEREAS the President of the Senate has temporarily vacated her Office of Senator to act as President of the Republic of Trinidad and Tobago:

AND WHEREAS the Vice-President of the Senate is acting as President of the Senate:

Senators' Appointment
[MR. VICE-PRESIDENT]

Thursday, October 21, 2004

NOW, THEREFORE, I, LINDA SAVITRI BABOOLAL, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 40(2) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, MAGNA WILLIAMS-SMITH, to be temporarily a member of the Senate, with immediate effect and continuing during the period that Senator Dr. Linda Savitri Baboolal has temporarily vacated her Office as Senator.

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 18th day of October, 2004."

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency DR. LINDA SAVITRI BABOOLAL,
Acting President and Commander-in-Chief of
the Republic of Trinidad and Tobago.

/s/ Linda Baboolal
Acting President.

TO: MR. FRANCIS PAU

WHEREAS Senator John Jeremie is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, LINDA SAVITRI BABOOLAL, Acting 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, FRANCIS PAU, to be temporarily a member of the Senate, with effect from 19th October, 2004 and continuing during the absence from Trinidad and Tobago of the said Senator John Jeremie.

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 18th day of October, 2004."

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency DR. LINDA SAVITRI BABOOLAL,
Acting President and Commander-in-Chief of
the Republic of Trinidad and Tobago.

/s/ Linda Baboolal
Acting President.

Senators' Appointment

Thursday, October 21, 2004

TO: MS. BONNIE-LOU DE SILVA

WHEREAS Senator Martin Joseph is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, LINDA SAVITRI BABOOLAL, Acting 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, BONNIE-LOU DE SILVA, to be temporarily a member of the Senate, with effect from 19th October, 2004 and continuing during the absence from Trinidad and Tobago of the said Senator Martin Joseph.

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 18th day of October, 2004."

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By Her Excellency DR. LINDA SAVITRI BABOOLAL, Acting President and Commander-in-Chief of the Republic of Trinidad and Tobago.

/s/ Linda Baboolal
Acting President.

TO: MS. ROSE JANNEIRE

WHEREAS Senator Dr. Lenny K. Saith is incapable of performing his duties as Senator by reason of his illness:

NOW, THEREFORE, I, LINDA SAVITRI BABOOLAL, Acting 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, ROSE JANNEIRE, to be temporarily a member of the Senate, with effect from 19th October, 2004 and continuing during the period of illness of Senator Dr. Lenny K. 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 18th day of October, 2004."

Oath of Allegiance

Thursday, October 21, 2004

OATH OF ALLEGIANCE

The following Senators took and subscribed the Oath of Allegiance as required by law:

Magna Williams-Smith, Francis Pau, Bonnie-Lou De Silva, Rose Janneire.

**APPROPRIATION BILL
(BUDGET)**

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2005 [*The Minister of Finance*]; read the first time.

Motion made, That the next stage be taken at a later stage of the proceedings. [*Sen. The Hon. C. Enill*]

Question put and agreed to.

PAPERS LAID

1. Annual audited financial statements of the Export Import Bank of Trinidad and Tobago Limited for year ended December 31, 1999. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
2. Annual audited financial statements of the Export Import Bank of Trinidad and Tobago Limited for year ended December 31, 2000. [*Sen. The Hon. C. Enill*]
3. Annual audited financial statements of the Export Import Bank of Trinidad and Tobago Limited for year ended December 31, 2001. [*Sen. The Hon. C. Enill*]
4. Annual audited financial statements of the Export Import Bank of Trinidad and Tobago Limited for year ended December 31, 2002. [*Sen. The Hon. C. Enill*]
5. Annual audited financial statements of the Export Import Bank of Trinidad and Tobago Limited for year ended December 31, 2003. [*Sen. The Hon. C. Enill*]
6. Audited annual financial statements of Business Development Company Limited for year ended September 30, 2002. [*Sen. The Hon. C. Enill*]
7. Audited annual financial statements of Business Development Company Limited for year ended September 30, 2003. [*Sen. The Hon. C. Enill*]

8. Annual audited financial statements of Trinidad and Tobago Mortgage Finance Company Limited for the year ended December 31, 2002. [*Sen. The Hon. C. Enill*]
9. Annual audited financial statements of the National Gas Company of Trinidad and Tobago Limited for the year ended December 31, 2003. [*Sen. The Hon. C. Enill*]
10. 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, 1994. [*Sen. The Hon. C. Enill*]
11. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the year ended December 31, 1995. [*Sen. The Hon. C. Enill*]
12. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the year ended December 31, 1996. [*Sen. The Hon. C. Enill*]
13. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Agricultural Marketing and Development Corporation (NAMDEVCO) for the year ended December 31, 1997. [*Sen. The Hon. C. Enill*]
14. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Legal Aid and Advisory Authority for the year ended December 31, 1999. [*Sen. The Hon. C. Enill*]
15. Second Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Agricultural Development Bank of Trinidad and Tobago for the year ended December 31, 2001. [*Sen. The Hon. C. Enill*]
16. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Regulated Industries Commission for the year ended December 31, 2001. [*Sen. The Hon. C. Enill*]
17. Report of the Auditor General of the Republic of Trinidad and Tobago on a special audit of The Celebrations Fund and Borough Day Expenses of the Point Fortin Borough Corporation for the financial year 2002. [*Sen. The Hon. C. Enill*]

18. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Settlements Programme Second Stage-1 as per Loan Contract No. 1402 OC-TT for the period May 22, 2002 to September 30, 2002. [*Sen. The Hon. C. Enill*]
19. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Settlements Programme Second Stage-1 as per Loan Contract No. 1402 OC-TT for the financial year ended September 30, 2003. [*Sen. The Hon. C. Enill*]
20. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Legal Aid and Advisory Authority for the year ended December 31, 2000. [*Sen. The Hon. C. Enill*]
21. Erratum in respect of the Report of the Auditor General of the Republic of Trinidad and Tobago on the Non-Receipt of financial statements from certain entities. [*Sen. The Hon. C. Enill*]
22. Draft Estimates of Expenditure for the financial year 2005. [*Sen. The Hon. C. Enill*]
23. Draft Estimates – Details of Estimates of Recurrent Expenditure for the financial year 2005. [*Sen. The Hon. C. Enill*]
24. Draft Estimates of the Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2005. [*Sen. The Hon. C. Enill*]
25. Draft Estimates of Development Programme for the financial year 2005. [*Sen. The Hon. C. Enill*]
26. Draft Estimates of Revenue for the financial year 2005. [*Sen. The Hon. C. Enill*]
27. Public Sector Investment Programme—Tobago 2005. [*Sen. The Hon. C. Enill*]
28. Public Sector Investment Programme 2005. [*Sen. The Hon. C. Enill*]
29. Social Sector Investment Programme 2005. [*Sen. The Hon. C. Enill*]
30. Social and Economic Policy Framework 2005—2007. [*Sen. The Hon. C. Enill*]
31. Review of the Economy for fiscal 2004. [*Sen. The Hon. C. Enill*]
32. The Value Added Tax (Amendment) Order, 2004. [*Sen. The Hon. C. Enill*]

Value Added Tax (Amdt.) Order

The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill): Mr. Vice-President, may I also advise that the Statutory Instruments Committee considered both the Value Added Tax (Amdt.) Order, 2004 and the Value Added Tax Order, 2004 and found that there is nothing to which the attention of the Senate should be specifically drawn. The minutes of the committee were circulated to Senators.

33. The Civil Aviation [(No. 1) General Application and Personnel Licensing] (Amdt.) Regulations, 2004. [*The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams)*]
34. The Civil Aviation [(No. 2) Operations] (Amdt.) Regulations, 2004. [*Sen. The Hon. J. Yuille-Williams*]
35. The Civil Aviation [(No. 3) Air Operator Certification and Administration] (Amdt.) Regulations, 2004. [*Sen. The Hon. J. Yuille-Williams*]
36. The Civil Aviation [(No. 5) Airworthiness] (Amdt.) Regulations, 2004. [*Sen. The Hon. J. Yuille-Williams*]
37. The Civil Aviation [(No. 6) Approved Maintenance Organization] (Amdt.) Regulations, 2004. [*Sen. The Hon. J. Yuille-Williams*]
38. The Civil Aviation [(No. 7) Instruments and Equipment] (Amdt.) Regulations, 2004 [*Sen. The Hon. J. Yuille-Williams*]
39. The Civil Aviation (Tenders Committee) Rules, 2004. [*Sen. The Hon. J. Yuille-Williams*]

Civil Aviation (Tenders Committee) Rules

The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams): Mr. Vice-President, may I also advise that the Statutory Instruments Committee considered the Orders and Rules and found that there is nothing to which the attention of the Senate should be specifically drawn. The minutes of the committee were circulated to Members.

40. The Regional Health Authorities (Amendment of the First Schedule) Order, 2004. [*Sen. The Hon. J. Yuille-Williams*]

Regional Health Authorities (Amendment of the First Schedule) Order

The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams): Mr. Vice-President, may I also advise that the Statutory Instruments Committee considered the Order and found there is nothing to which the attention of the Senate should be specifically drawn. The minutes of the committee were circulated to Members.

41. The Value Added Tax Order, 2004. [*Sen. The Hon. C. Enill*]
42. The Provisional Collection of Taxes Order, 2004. [*Sen. The Hon. C. Enill*]

1.45 p.m.

**VENTURE CAPITAL (AMDT.) (NO. 2) BILL
Select Committee Report**

(Presentation)

The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo): Mr. Vice-President, I beg to lay on the Table, the Interim Report of the Special Select Committee of the Senate appointed to consider and report on the Venture Capital (Amdt.) (No. 2) Bill, 2004, in accordance with the provisions of Standing Order 51(2).

ORAL ANSWERS TO QUESTIONS

The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams): I will like to move with the concurrence of the Leaders of the Opposition and Independent Benches and the Senators concerned, the deferral of all questions listed on the Order Paper and any other question that may have qualified to be placed on the Order Paper, until the debate of the Appropriation Bill (Budget), 2005 has been completed. That is a deferral of all questions for a period of one week.

Question put and agreed to.

The following questions stood on the Order Paper in the name of Sen. Robin Montano:

**Piarco International Airport
(Runway)**

1. Could the hon. Minister of Works and Transport inform the Senate:

- A. (i) Whether the newly repaved runway at the Piarco International Airport presents any risk to aircraft landing and taking off;
- (ii) Could the Minister give full details of the potential risks, if there are any?
- B. Whether any airlines and/or pilots and/or aviation authorities, in Trinidad and Tobago or elsewhere, have complained about the quality of work done on the runway?
- C. If there have been complaints, could the Minister give full details of the following:
 - (i) The names of firms, corporations or authorities that have filed complaints;
 - (ii) The nature and extent of the complaints;
 - (iii) The dates that the complaints were received; and
 - (iv) The replies made to firms, corporations or authorities that have filed complaints.

Official Ports of Entry

- 2. A. Could the hon. Minister of National Security provide the Senate with the names of all the official ports of entry into Trinidad and Tobago which are manned by Customs and Immigration officials?
- B. (i) Could the Minister state if it is possible to enter Trinidad and Tobago legally without going through one of the named ports;
- (ii) If the answer to (i) is in the affirmative could the Minister state the circumstances which would render such an entry legal?

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

Delineation Treaty

- 3. Could the hon. Prime Minister and Minister of Finance state whether he has given any consideration to the Caricom Heads of Government to review the delineation treaty between the Governments of Bolivia, Republic of Venezuela and the Republic of Trinidad and Tobago?

**Orange Grove Estate
(Use of)**

4. A. Could the hon. Prime Minister and Minister of Finance give details on the proposed use of the Orange Grove Estate?
- B. Could the hon. Minister state whether it is Government's intention to convert the Orange Grove Estate into a housing settlement?

**Bamboo Residents
(Traffic Lights)**

5. A. Could the hon. Minister of Works and Transport state what steps and/or measures he intends to take to address a dangerous situation, which farm residents of Bamboo Number One, Two and Three face with respect to traffic lights located on the Churchill-Roosevelt Highway and the Uriah Butler Highway?
- B. Is the hon. Minister aware that the residents and children of those communities are seriously inconvenienced because these traffic lights are turned off between 6.00 a.m. and 4.00 p.m. every day?

The following questions stood on the Order Paper in the name of Sen. Basharat Ali:

Occupational Safety and Health Act

29. A. Could the hon. Minister of Labour and Small and Micro Enterprise Development inform the Senate whether the Occupational Safety and Health Act, No. 1 of 2004 has been proclaimed?
- B. If the answer to (A) is in the affirmative, could the Minister indicate:
- (i) the date that the Act was proclaimed; and
 - (ii) whether the Occupational Safety and Health Authority has been established?
- C. If the answer to (a) is negative, could the Minister state:
- (i) when will the Act be proclaimed; and
 - (ii) what are the reasons for the delay in having the Act proclaimed?

Calvary Hill and Saddle Hill

- 30.**
- A. Is the hon. Minister of Works and Transport aware that there is no surface/storm-water drain on the eastern side of Saddle Road between Calvary Hill and Saddle Hill?
 - B. If the answer to (A) is in the affirmative, could the Minister inform the Senate if there are any plans to construct a surface/storm-water drain on the eastern side of Saddle Road between Calvary Hill and Saddle Hill?
 - C. If there are no plans, could the Minister indicate what measures are being taken to alleviate the traffic and flood problems that plague the residents on the southern side of Tangerine Drive, Haleland Park, Maraval?

Haleland Park

- 31.** Could the hon. Minister of Planning and Development inform the Senate with respect to the construction/development project at Haleland Park in the area bounded by Saddle Hill on the North, Saddle Road on the West and the Maraval River on the East and South, (Project EMA Reference No. 0515/200):
- (a) what plans are in place for vehicular ingress and egress during construction and after completion of the project;
 - (b) if all the required approvals have been granted from the relevant ministries/departments for all stages of this construction/development project;
 - (c) whether all the pre-conditions for the commencement of this project have been satisfied;
 - (d) if the conditions have not been satisfied, what steps are being taken to halt activity on the site?

Questions, by leave, deferred.

APPROPRIATION BILL (BUDGET)

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

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That a Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2005, be now read a second time.

This is a money Bill and was approved in the other place on October 19, 2004. The Bill provides for the issue from the Consolidated Fund of the sum of \$20.769 billion under the various Heads, as indicated in the Schedule of the Bill.

Good governance requires that members of the national community participate effectively in key economic decisions that affect them directly. For this reason as in previous years, we have consulted with the members of the national community in developing our social and economic agenda. Their contributions have been valuable and productive. We wish to place on record our gratitude for the pride which they have shown in their country, and above all, in their hope that Trinidad and Tobago will remain a society that is strong and responsive to our changing circumstances. The involvement of our Ministers of Government, Parliament Secretaries and other members of government in the process, have been no less dynamic and helpful.

In the main, their views reflected a strong concern for intergenerational equity. They insisted on a high quality socio-economic agenda which would meet the needs of future generations. They wished to see their children inherit an even better Trinidad and Tobago, indeed, a better world. Our vision for achieving developed country status in the shortest possible time frame coincided with their ideas.

We will also like to express our gratitude to the technical officers in the public service, in particular, those who worked assiduously to generate the comprehensive budget documentation which represents an account of our stewardship for the period just ended and our plans for the future. These documents have been laid in this Parliament and include:

- The Review of The Economy, 2004, which provides an assessment of the conditions in the domestic and international economy. It analyzes development in public debt and debt servicing, as well as in the productive sectors and in certain other key areas, fiscal, monetary, financial and trading.
- The Social Sector Investment Programme 2005, which provides a comprehensive overview of our interventions to alleviate poverty and to improve the delivery of services in the areas of human and social development.

- The Public Sector Investment Programme 2005, details allocation of Government's \$2 billion investments in economic and social infrastructure.
- The Social and Economic Policy Framework 2005—2007, charts the course in the medium-term for the achievement of our social and economic agenda on our way towards Vision 2020.
- The Draft Estimates consist of the details of revenue and expenditure and the development programme for the financial year 2005.

These documents provide information on the way we have governed and the results of that particular governance. Since our assumption of office in December 2001, this Government has been laying the foundation for transforming and modernizing the economy of Trinidad and Tobago. Our aim is to promote balanced and equitable development within which our most vulnerable and disadvantaged groups will be able to share in the fruits of our growth and development. The lifelong concerns of our citizens are addressed through adequate housing; affordable and accessible quality health care; comprehensive education and training and the provision of good quality jobs.

Accordingly, the 2005 budget maintains the Government's unwavering focus on the objective of transforming Trinidad and Tobago to a developed country by 2020 or before. At the core of our economic endeavour and management of the country's finances is the welfare of our citizens. Our central objective is their well-being. This budget represents another building block towards the social and economic development of the country which makes our theme for this year's budget, "Ensuring Our Future Survival" relevant, and appropriate.

Our development agenda rests on three principal pillars. Firstly, our policies and programmes are directed at maximizing returns from the energy sector, through increasing our participation in the value chain and raising the Government's tax take in a manner that is consistent with promoting a high level of investment in the sector. Transparency and good governance will be at the core of our involvement in this most important sector.

Usage of excess oil and gas revenues will be multifaceted for stabilizing the economy; ensuring intergenerational equity and undertaking strategic high quality investments.

Secondly, our programmes and policies are geared at diversifying the economy through a strategy based on strengthening six key sectors, manufacturing, tourism, financial services, agriculture, small businesses and a new technologically based industrial sector.

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Thirdly, our programmes and policies would ensure that the benefits of economic growth and development are shared by all sectors of the population. The consistent application of sound socio-economic policies since our assumption of office in December 2001, has resulted in positive developments for our economy. These policies have facilitated our integration into the international trading and financial system.

In most basic terms, we are being integrated into the world economy through trade; financial flows; the exchange of technology and the movement of people. New opportunities are being offered in the form of higher productivity; improved living standards, as well as access to a wide range of goods and services at lower costs. We also have access to the pool of international savings which have allowed us to speed up economic growth and development and to alleviate the conditions of our disadvantaged and vulnerable.

The process of globalization is irreversible as it is beneficial. The continued achievement of our economic and social agenda will depend critically on our ability, firstly, to take advantage of the process of globalization, as well as to improve our implementation capacity for planned programmes and projects. There is increasing world competition for foreign direct investment; export markets; skilled employees and financial resources which are now more mobile than perhaps at any time in our recent history. Our future prosperity as a nation depends critically on the manner in which we are engaged in the international economy.

Over the last year, global recovery has become increasingly well-established. Global GDP (gross domestic product) in 2004, at 4.9 per cent is projected by the International Monetary Fund to remain strong in 2005. In financial markets, the start of a transition to higher interest rates has been successfully managed by most countries. In short, the world economy has mounted a rigorous recovery from the slow down of 2001. Trinidad and Tobago has played a positive role in that recovery.

Unfortunately, the onslaught wrought by the recent hurricanes has set back the recovery in certain Caricom countries and has created major challenges of rehabilitation and reconstruction. We are playing our role in the efforts to finance the reconstruction efforts and we expect the international community to do likewise.

As for the medium-term global outlook, we hope that the major risks are addressed efficiently and effectively. We are in no doubt that the orderly

transition to higher interest rates will be continued. We are also likely to witness a reduction in volatility in the oil markets as oil consumers and oil producers expand their collaboration. We expect that the global current account imbalances will be adjusted by cooperative international action.

The medium-term outlook is for a continuation of the present solid growth performance and Trinidad and Tobago will continue to ensure that its participation in the world economy will be beneficial and effective. We must be justifiably proud as we review our domestic economic performance. Economic growth was recorded at 13.2 per cent in 2003, based on the rebased numbers, our tenth consecutive year of economic growth. Economic growth was largely driven by the energy sector, in particular, the expanded activity in the petrochemical subsector. Economic growth is taking place in a stable and low inflationary environment, as headline inflation was 3.8 per cent in 2003 and 3.3 per cent in the 12 months to August 2004.

As we have said before, of substantial concern to us is the fact that food prices have been rising rapidly. In 2003, food prices rose by 13.8 per cent and in the 12 months to 2004, by 10.5 per cent.

Economic growth is generating jobs at a rapid pace. It is also generating healthy trade surpluses. These healthy trade surpluses in growth have been contributing to a build-up of external reserve. Our fiscal situation remains sound and sustainable, as a year end overall surplus of \$437.1 million or 0.6 per cent of GDP was realized. Accommodated in that balance is capital expenditure of \$1.7 billion and a transfer to the Revenue Stabilization Fund of \$1.26 billion.

2.00 p.m.

Mr. Vice-President, when we talk about expenditure and we talk about sustainable expenditure, we need to recognize that in the year just gone, these were allocations that were, in fact, discretionary, and which represented our capital programme on the one hand and our saving efforts on the other.

Mr. Vice-President, we have also been a Government that is concerned about social issues in our society. In financial year 2004, we spent \$2.6 billion or 13.2 per cent of the national budget for developmental programmes to empower our citizens; remedial programmes to alleviate social problems; and preventative programmes to prevent problems from arising.

Additionally, we have targeted for special attention the needs of certain of our children, our communities, counselling and support interventions, entrepreneurial

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development of those in need, health and wellness, older persons support, persons with disabilities, poverty alleviation, socially displaced members of society, substance abusers, victims of domestic violence and unemployment relief.

In those circumstances, Mr. Vice-President, as we review our own performance, our Government has been an effective one. We have delivered sound public finances. We have put in place responsible fiscal policies that stabilized the economy, as well as good financial practices that ensured value for money in public spending.

Mr. Vice-President, how do we see the medium-term outlook? Our economic projections for 2005—2007 have been endorsed by the IMF during their Article IV Consultation exercise. The country is entering an even more dynamic growth period:

- in 2005, we expect to see real growth at 6.7 per cent rising sharply to about 8.9 per cent in 2006, and stabilizing at around 5—6 per cent thereafter;
- growth is being driven by:
 1. the commissioning of Atlantic LNG Train 4 and several new projects at Point Lisas and the La Brea Industrial Estate;
 2. construction activity associated with the ongoing house construction programme;
 3. intensified infrastructural development;
 4. high-tech growth and other industries on light manufacturing estates; and
 5. the expansion of the financial services sector.
- inflationary pressures would be contained through disciplined fiscal and monetary policies so as to maintain the targeted inflation rate of about 4 per cent;
- the policy framework would facilitate a continued low interest rate environment, a steady reduction in the public sector debt relative to GDP, and a continued build-up in foreign reserves;
- the solid projected growth rate would continue to generate good quality jobs—we estimate 34,000 in the three-year period—thereby pushing the economy to full employment levels, which means an unemployment rate of no more than 5 per cent.

Mr. Vice-President, Trinidad and Tobago must remain a productive and competitive economy if it is to take advantage of the globalization process. For this reason, we are promoting competition in all sectors of the economy. Competition has been encouraging our firms to be more efficient and innovative and more responsive to our customers' needs. Many of them are already holding their own internationally, in particular, in the regional arena. Consumers enjoy wider choices and better products and services and very often, lower prices. However, Mr. Vice-President, fostering competition is not always the same as taking a passive approach. We need on many occasions, to intervene in the market.

Mr. Vice-President, our first pillar is directed at the energy sector. This sector is being geared to attain its fullest potential in its contribution to sustainable economic growth and development. While remaining the main engine of growth in the foreseeable future, it will continue to forge greater linkages with the rest of the economy, so that, the non-energy sector would make a greater contribution to total output.

To achieve these objectives we have put in place a policy agenda which is three-pronged:

- (a) the attraction of foreign investment in exploration activities so as to increase hydrocarbon reserves;
- (b) the increase in the value added from natural gas production capability by participation at other stages of the value chain, including shipping, regasification terminals, the pipeline system and even the marketplace; and
- (c) the increase in the revenue take through the introduction of the new energy tax regime for oil and gas.

Mr. Vice-President, our energy policy is already paying rich dividends in terms of creating new activity, including downstream, as well as of generating good quality jobs. The immediate concern to us is that the tax regimes which apply to oil and gas must be completed. We have been giving substantial consideration to putting in place a tax regime for the energy sector which balances the interest of the State, which should derive optimal tax revenues with those of investors who require an adequate rate of return on their investments in order for projects to be sustained.

Mr. Vice-President, I now turn to our second pillar—the diversification imperative. Our diversification thrust would continue to focus on six main areas.

- (a) Manufacturing.

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Firstly, Mr. Vice-President, Trinidad and Tobago is the manufacturing leader in the Caribbean. This country is quickly becoming a major manufacturing and commercial centre in Latin America and the Caribbean. Our economic reform agenda has ensured that the long-term fundamentals of the economy remain sound and the cost of doing business broadly appropriate. Within this framework, we have secured our external competitiveness.

We will continue to assist our domestic manufacturers in their efforts to export to regional and non-regional markets:

- The Trade Sector Support Programme (TSSP) is geared at supporting the external competitiveness of our manufacturers.
- We are also focusing on the expansion of a number of specific areas including yachting, fish and fish processing, merchant marine, music and entertainment, the film industry, printing and packaging, and food and beverage.
- We are providing infrastructure and incentives to both domestic and foreign investors through:
 - (a) the continuing development of the Industrial Technology Park at Wallerfield;
 - (b) the development of an investment policy and a services trade policy for Trinidad and Tobago;
 - (c) a revised Foreign Investment Act;
 - (d) the establishment of a Research and Development Fund to finance the development of unique products; and
 - (e) the promotion of trade and investment activities between Trinidad and Tobago and Cuba.

Secondly, Mr. Vice-President, the tourism sector is becoming a major contributor in our economic diversification drive. There is need, therefore, for expanded infrastructure. For this reason we have created a new company, the Tourism Development Corporation (TDC), with the responsibility for tourism investment promotion, product development and marketing.

Thirdly, Trinidad and Tobago has now emerged as the financial centre of the region. In 2003, bond issues for regional governments and corporations amounted to over US \$500 million. On the other hand, investments by our financial

institutions in the region amounted to approximately US \$250 million. The financial sector now accounts for 12.5 per cent of GDP and employs 7.5 per cent of the labour force. We propose to build on this excellent base to become the Pan Caribbean Financial Centre. Accordingly, we propose to update our financial legislation to establish the best practices in financial intermediation.

Fourthly, Mr. Vice-President, agriculture continues to remain the life-blood of a large segment of our population. The modernization of the sector is central to enhancing that sector's contribution to the economic and social development of the country, while ensuring, to some extent, the country's food security. Our facilitation role will create new opportunities and attract new entrepreneurs and investors and we will do so through a number of initiatives, including among others:

- accelerating the distribution of agricultural state lands, giving consideration in the process to those investors who may wish to establish modern agro-processing facilities; and
- the delivery of approximately 7,000 two-acre sized agricultural plots in 17 locations to former employees of Caroni (1975) Limited, over the next two years. This is expected to boost agricultural production and in the process provide a secure and sustainable livelihood for the former employees of Caroni (1975) Limited.

Fifthly, a modern state-of-the-art information and telecommunications infrastructure is indispensable for our future competitiveness:

- we are promoting a technologically-based industrial sector centered at Wallerfield with four zones of activity:
 - (a) technology and software development and incubation facilities;
 - (b) light manufacturing and downstream manufacturing from the energy sector;
 - (c) the University of Trinidad and Tobago with significant online distance learning capabilities; and
 - (d) a commercial and services centre.

The Telecommunications Authority of Trinidad and Tobago will be awarding in the first quarter of 2005, concessions to provide public mobile communication services. It is also now taking steps to introduce competition in the provision of international telecommunication services. We expect to see significant rate

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reductions, improvements in service delivery and a wider access to the services. The authority intends to award additional concessions for television and multi-channel video broadcasting providing a wider range of choices to our consumers.

Mr. Vice-President, while investment expenditures are essential for raising the levels of economic growth, it is well established that human capital development is necessary for maintaining and increasing further, those levels of economic growth. I refer here to those investment expenditures that are best undertaken by the public sector, in particular, investments in human capital through expenditures on education, training, health and infrastructure. This expenditure is essential for not only improving the living conditions of citizens, but also for giving them the opportunity to contribute fully to the country's growth and development.

Mr. Vice-President, our education system is being revamped to deliver total quality education: from early childhood care and education to adult literacy.

We are also rapidly advancing the agenda to reshape tertiary education. In just one year the University of Trinidad and Tobago has admitted almost 2,000 students pursuing programmes in engineering and technology, research, innovation, entrepreneurship and the humanities.

In financial year 2005, the expansion of the University of Trinidad and Tobago will continue as we consolidate and establish a networked multi-campus institution which would include an upgrade in the College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT), the Caribbean Industrial Research Institute (CARIRI), the Institute of Marine Affairs, Metal Industries Company, San Fernando Technical Institute and John S. Donaldson Technical Institute. To support our thrust into these engineering and technological disciplines:

- the Accreditation Council of Trinidad and Tobago which has already prepared a national policy on distance learning will foster and maintain quality in national tertiary education;
- the Government Assistance for Tuition Expenses (GATE) programme will increase enrolment in tertiary education. In fact, enrolment has risen by 40 per cent from 17,000 in 2003 to 24,000 in 2004. In financial year 2005, the GATE programme is being expanded by increasing the number of approved programmes and approved financial institutions as well as increasing the scope and quantum of the GATE grant to cater for additional categories of expenses; and

- the Higher Education Loan Plan (HELP) will be launched to provide low-interest loans to students attending local and approved overseas institutions.

Mr. Vice-President, our skills development programmes are ensuring that our citizens can take advantage of the employment opportunities being provided by a vibrant and growing economy.

The Multi-Sector Skills Training programme (MuST) is addressing training for employment for some 10,000 persons in the construction sector. The programme is being expanded to include training in other sectors: agriculture, tourism and process manufacturing.

2.15 p.m.

By 2015 we intend to achieve a participation rate of 60 per cent in post-secondary and tertiary education. In other words, within the next 10 years, 60 per cent of our secondary school graduates would proceed to attend university level or post-secondary institution education. This is five times the current level of participation in tertiary education, and will place Trinidad and Tobago on par with countries in Europe, North America and the Far East. In order to achieve that participation rate, the Government intends to ensure that by 2008 all nationals will have access to tertiary education in Trinidad and Tobago, free of charge.

We are embarking on a programme of action to enhance the delivery of quality health care to our nationals. By 2006 the country would enjoy a health care system that would set new standards of quality and accessibility. The main elements of this programme, both qualitative and capacity expansion, will be executed in our frontline health institutions in San Fernando, Scarborough, Sangre Grande, Point Fortin and Mount Hope. These initiatives are to be supported by efforts to increase the availability of trained personnel in all the critical areas including doctors, nurses, oncologists, and pathologists. We are providing free medication under the universal Chronic Disease Assistance Programme and we are establishing two Renal Dialysis Treatment Centres, one in the North and one in the South, each providing treatment for 200 persons.

Mr. Vice-President, investment in our infrastructure is an essential requirement for establishing a modern and globally competitive economy. As we move predictably to achieving developed country status by the year 2020, we cannot escape having an adequate infrastructure providing an extensive and efficient transport network system, efficient ports and airports, as well as adequate drainage and irrigation. In order to begin this process, we are procuring a

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comprehensive national transportation study prepared by a firm of international consultants to address the sea, air and land transportation needs over the next 30 years. This is to be completed within 18 months. In the interim, a feasibility study of a light rail mass transit system from Arima to Diego Martin, and from Port of Spain to San Fernando is being undertaken. If feasible, an investment decision could be made on completion of the study in July 2005 with some segments becoming operational by 2008, and the full system in place by 2012.

Mr. Vice-President, our national security response to the unprecedented level of criminal activity plaguing the country has been both efficient and effective. We could have done better through more effective systems of management and accountability in the police service. Unfortunately, when this matter was placed before the national community, we did not have the required support and, therefore, our legislative efforts to achieve these objectives were not achieved. This, notwithstanding, we have put in place a broad set of policies aimed at securing the safety of our communities and citizens.

We wish to advise that the special anti-crime unit is now fully operational. The police vehicle fleets have been expanded; training has been enhanced to improve management standards particularly in forensic investigations, criminal justice, behavioural science, information technology and human resource management. Partnership with our communities has been strengthened through training in policing; the size of the police service has been increased; police stations are being refurbished while several others are being built; the prison service is being transformed with rehabilitative and restorative programmes and the Ministry of National Security is collaborating with the Ministry of Education with respect to developing a joint action for school discipline.

Mr. Vice-President, our country has achieved macroeconomic stability and this has created conditions for a stable and low rate of inflation, a competitive and realistic exchange rate and declining interest rates. We have strengthened Government's revenue and we are in the process of making our public sector much more effective. We are, therefore, in a position to scale up expenditure to address the concerns of the vulnerable and defenceless groups in our society. Economic progress must be reflected in social progress. The equitable distribution of the fruits of economic progress will make the economic change much more acceptable, in particular at this time when this country is effectively engaging the globalization process. We are of the view that if the period of expansion that we are now experiencing is to be maintained, it is vital that our development strategy should reduce the incidence of exclusion especially of the vulnerable and the defenceless.

This Government remains committed to the social progress of the population by fostering an environment that promotes the continuous improvement of all its citizens. Access to adequate and affordable shelter is the right of every citizen. To this end, the Government anticipates the construction of approximately 100,000 homes over a ten-year period with an average of 10,000 homes per year. Our national housing policy places particular emphasis on meeting the needs of low- and middle-income families in our society.

Several programmes have been developed to deliver the various aspects of housing needs. These include the accelerated housing programmes through which 3,249 housing lots have already been constructed. The Infill Lots Programme which is expected to provide 2,000 housing units and a further 6,336 low-cost and middle-income units at 14 locations to be completed by September 30, 2005 under the joint venture programme between the National Housing Authority and certain private contractors or developers. In addition, these efforts are supported by the Urban Renewal and Development Programme and the Sites and Services Programme, the Rent-to-Own Programme which would be implemented in the current fiscal year and will all contribute to providing housing solutions for low- and middle-income citizens.

Mr. Vice-President, in our programmes and policies to alleviate poverty and improve opportunities, we will continue to identify those citizens who can be rehabilitated and retained to allow them to participate effectively in the national economy. We are focusing on life skills development, literacy, training and skills upgrade and access to credit. The shift in emphasis is being managed through a collaborative effort among ministries and departments of Government, the SHARE secretariat and the newly established Development Support Unit.

We are concerned that the rising food prices are impacting negatively on the poor and more vulnerable groups including our retired public officers. There are 98,065 individuals who receive old age pension, public assistance and disability grants. There are now also 27,565 retired public officers of whom 23,657 or 85 per cent are in receipt of a public service pension of \$3,000 or less. It is the Government's intention to introduce measures to mitigate the impact of rising prices on the needy and the vulnerable. We are embarking on a well-focused, structural reform agenda aimed at increasing economic efficiency, boosting national competitiveness and promoting economic resilience.

The major elements of the reform programme include:

Reform of the pension system,

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Establishing a non-energy tax regime,
Transforming the public sector into an efficient and effective service provider,
Procurement reform,
State enterprises reform, and
Improving the efficiency of local government.

Mr. Vice-President, the Tobago House of Assembly needs to be commended for the genuine partnership that has been forged with the central government. The financial year 2005 budget includes an allocation to the Tobago House of Assembly of \$822.9 million for recurrent expenditures and \$200.9 million for the development programme expenditure. Additionally, to further facilitate the development of Tobago, the Minister of Finance will assist the THA in accessing by way of borrowings of additional funding up to a maximum of \$500 million. This translates to resources amounting to \$1.5 billion for Tobago, to be used for its economic and social transformation agenda.

Trinidad and Tobago has been generating substantial trade surpluses in the Caricom areas for more than a decade. Those surpluses are expected to remain over the coming years. In fact, Caricom is our single export market after the United States and is therefore a significant contributor to employment levels and the economic strength of our country. By the same token, Trinidad and Tobago is the largest market for regional Caricom exports.

The economies of our Caricom partners are now at substantial risk due to the impact of high prices of food, of crude products and the substantial cost of the reconstruction efforts arising out of the devastation by Hurricane Ivan. As a result, we have established the Caricom Trade Support Programme which is designed to help Caricom member states build capacity and expand their export capability. Funding for that programme will be in the form of a revolving loan fund in the sum of \$100 million to be disbursed on an interest-free basis to firms in Caricom excluding Trinidad and Tobago, and the company which is developing the Caribbean Gas pipeline is prepared to deliver gas to Caricom countries at stable and predictable prices.

This Government is committed to good governance. By this, I mean publicly accountable and participatory government that serves the whole of society rather than sectional interests and legal and regulatory frameworks that are transparent fair, and credible. Effective utilization and management of our oil and gas resources, which are non-renewable assets, is an important aspect in our

framework of good governance. For this reason, the Government will formalize the Interim Stabilization Fund with a broader and more comprehensive mandate.

The proposed design of the governance structure and the investment criteria governing the resources earmarked for strategic investments will be articulated at the time when the appropriate legislation is laid in the Parliament.

The fiscal operations for 2005 provides for the total estimates of expenditure to be \$27.918 billion, of which the sum of \$20.769 billion is to be appropriated. The sum of \$6.798 billion represents a direct charge on the Consolidated Fund while \$350 million will represent expenditure from the Unemployment Fund and the Road Improvement Fund.

Total revenues are based on an average price of US \$32.80 per barrel (Galeota mix) and a net gas price of US \$1.50 per cubic foot while expenditure is based on oil and gas prices of US \$25 and US \$1.50 per cubic foot respectively. Accordingly, the difference between the estimates, that is, the estimates based on an oil price of US \$32.80 per barrel and a gas price of US \$1.50 per cubic foot and the estimates based on our oil price of US \$25 per barrel is \$1.357 billion.

That amount, that is, 100 per cent of estimated excess oil and gas revenues will be appropriated for transfer to the Interim Revenue Stabilization Fund. This will bring the Fund to a balance of approximately \$4.2 billion or US \$670 million.

In summary, therefore, revenue for this year equates to \$24.15 billion, expenditure \$22,650.9, primary surplus of \$1.364 billion, transfer to the Revenue Stabilization Fund of \$1.356 billion with a balance of \$7.7 million.

2.30 p.m.

Included in our expenditure is an amount of \$3.910 billion, which represents capital repayments and Sinking Fund allocations and is normally treated as financing; as well as the amount of \$2.075 billion for the capital programme 2004/2005.

Fiscal measures for the budget for the financial year 2004/2005 provides for the following:

- Relief to recipients of pensions and public assistance;
- Measures to address the rise in prices;
- Poverty alleviation;
- Relief to low income wage earners;

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- Relief to retired public service pensioners;
- Increase in duty free allowances; and
- Insofar as tax administration is concerned:
 - Set-off of losses;
 - Taxation of benefits in kind;
 - Deed of Covenant;
 - Application for VAT refunds and other tax liabilities;
 - Waiver of penalties under the Stamp Duty Act.

The details of these measures have all been articulated and I would not go through them.

With this budget, we take the country forward into a future of continued prosperity, stability, greater equity and enhanced opportunity. Yes, there are challenges, but we intend to continue to work to achieve a society that we can all be proud to have made a contribution towards. We invite all to join in creating a better future for all our people.

Mr. Vice-President I beg to move.

Question proposed.

Sen. Wade Mark: Thank you very much, Mr. Vice-President. It has been said that a wise man learns from his mistakes, but a fool is bound to repeat them. This, to my mind sums up, in essence, the underlying philosophy of this 2005 budget statement.

The budget is a cunning exercise in political deception. It lacks vision, coherence, depth and strategic direction. Indeed, there exists a yawning disconnect between the infamous Vision 2020 so-called development programme and the many lofty promises by a very incompetent administration. Never before in the history of our country has a government been so blessed and in receipt of so much revenue as has been the experience of the current administration. Record levels of revenues have been secured in the face of buoyant energy prices on the world's energy markets, but the irony of all of this is that while the Minister gloats about a growth rate of 6.2 per cent and a budget of some \$28 billion, there continues to exist in this country, grinding and persistent poverty and destitution, together with an unprecedented crime wave that has virtually crippled the country, leaving in its wake a very harassed, tormented and frightened nation.

What does a growth rate of 6.2 per cent mean to a citizen whose home was maliciously and heartlessly bludgeoned into non-existence by a minister of housing who seems to be more pre-occupied with his own private development scheme at Mason Hall in Tobago? Ask the people in Cashew Gardens; ask the people of Wallerfield and Union Hall. What does a 6.2 per cent growth rate mean to a public officer who has to endure hours of brutality in the scorching heat on the various highways on a daily basis whilst the Minister of Works and Transport twiddles his thumb and mockingly smiles?

When one looks at the budget, Mr. Vice-President, and begins to peel away the many layers of tomfoolery and padded statistics, one begins to discern that the budget is really a weapon of mass destruction aimed with deadly precision at the very heart of our democracy and economy. Inefficient, wasteful and reckless spending constitutes the essential hallmark of this lame-duck, incompetent and absolutely corrupt administration.

The Minister of Finance boasted about utilizing the entire \$1.7 billion allocated to the Public Sector Investment Programme (PSIP) in 2004. We wish to ask the Minister: On what? Where are the projects to justify such expenditure? Any fool can spend money, Mr. Vice-President. Indeed, anyone can waste money. The question here is efficiency in the spending process.

The PNM has been in office for over 1,000 days, yet when one looks around the country, one reaches the inescapable conclusion that under their rule, time appears to have stood still. This PNM regime, which seems to specialize in fossilized thinking, has almost supervised an unprecedented deterioration in the health care delivery system in this nation.

There is a virtual disconnect between the education system, training and the world of work in a country where we boast of oil and gas revenues. If rain falls for five minutes in Port of Spain, South Quay and Wrightson Road become completely flooded. This also extends itself to the Caroni basin and other flood-prone areas in the country.

It has been said that the road to hell is paved with good intentions. The 2005 budget statement presented by the Minister of Finance is, as far as we are concerned, doing just that. It is paving the road, ultimately, to take our nation down the road to hell. Under this regime, life is like hell for the vast majority of citizens. Hell for the working people and for the vast majority of the people of this nation means the exhaustion of our natural resources by an absolutely visionless administration. It means that our agricultural lands are being choked and crowded

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with all sorts of half-baked projects and inefficient investments. Our poverty level continues to escalate dramatically as a result of Government's failed social programmes.

It has been estimated that 300,000 citizens live in absolute poverty in this land of paradise. The country is further saddled with an uncompetitive non-oil economy that is derelict and moribund. This includes a manufacturing sector which, in spite of its best efforts, has failed to become efficient, productive and competitive and seem now to be depending on a competitive exchange rate to propel it into an efficiency mode.

We have a services sector that can only be qualified to do the mopping up work of the high-tech and bio-technical computer firms, of the economic giants emerging in the Far East. Then there is the total loss of our foreign exchange reserves. The present administration has done little over the past three years to rapidly transform our economy. Mr. Vice-President, if we are not careful, this economy could easily be hijacked by gang leaders and criminal forces whose ranks seem to be growing at an alarming rate in this society. That would be hell itself, if ever that were to materialize.

The 2005 budget represents an illusion of prosperity and a calculated manipulation of some of the country's key macro-economic statistics in an attempt to reflect a state of economic growth, low inflationary rates, manifested in supposedly falling prices, massive declines in the employment rate, as well as a sharp decline in the public debt as a ratio to the GDP.

Mr. Vice-President, this dishonest and disingenuous approach to overall national development represents, not merely the hoax of the decade, but could be interpreted very negatively by our international partners. Allow me to refer to page 3 of the budget statement of 2005. We are told that headline inflation continues to be under control at 3.8 per cent in 2003 and 3.3 per cent in the 12 months to August 2004. The Minister of Finance goes on to express his Government's concern about the rapid rise in food prices, which, as you know, Mr. Vice-President, reached some 13.8 per cent in the last fiscal year and 10.5 per cent in the 12 months leading to August of this fiscal year. Inflation is really a decline in the purchasing power of money. The purchasing power of the poor man's dollar has declined by some 12 per cent on average between 2002 and 2004. His purchasing power has fallen by almost one-third.

On the issue of unemployment, the Minister boasted of a 7.8 per cent reduction in the rate of unemployment. We believe this is economically flawed.

2.45 p.m.

Mr. Vice-President, there is a law called Okun's law, which states that every 1 per cent fall in the unemployment rate, would mean that real output should rise by at least 1 per cent. We have not seen this operating in our environment, because employment has increased in our economy, according to the Minister of Finance, yet still, real output in the domestic economy has stagnated. Output grew in the gas and oil sector, which at any rate, does not generate any significant employment opportunities, as you are well aware.

It has to be sheer logic that this variation of Okun's law in Trinidad and Tobago has resulted from the Government's policy of simply redistributing large quantities of revenues so that people can be said to be employed. This artificial employment produces no real output and is totally dependent on the ability of the State to finance the associated payroll. It would mean that any government which has an abundance of reserves can bring unemployment to zero by simply transferring portions of its tax revenues to the unemployed in our society. This, of course, does nothing for increasing the diversification of the economy and the long-term transformation of the people from low productivity to high value activities. This is a path that will ultimately guarantee that the poor will remain poor. I want to remind the hon. Minister of Finance that government-generated employment is not considered as genuine employment, but merely a form of income redistribution or transfer.

The Minister also boasted of creating thousands of jobs, but provided little information on job losses during the period under review. Of course, this is merely playing with numbers. It is tantamount to statistical illusions on the part of the Minister of Finance. Even the Governor of the Central Bank, in today's newspaper has begun to query and question the Minister of Finance's bogus unemployment figures, to date.

Mr. Vice-President, the massive incompetence displayed by the present PNM administration is all around us. Corruption in its various forms and incarnations has now firmly gripped this administration's overall operations. In spite of my colleague's, the Minister in the Ministry of Finance, glib talk about transparency, accountability, ethics and integrity, like truth, it always surfaces. We just have to look at Transparency International's report which, again, exposes the hypocrisy and virtual pretence of this regime.

On the issue of transparency and integrity, we in the UNC demand an immediate forensic audit into Plipdeco in respect of the purchase of a crane called

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the Fantuzzi Crane, on the instructions of the current chairman of Plipdeco, at an exorbitant price, way beyond what it really cost and millions of taxpayers' dollars are involved in this transaction. Nothing has been done to date, by the Government, to bring that board of directors to book.

We would like to have some transparency and accountability into the receipt of tens of thousands of dollars by the High Commissioner-designate to South Africa, Donna Carter. Since receiving her instruments of appointment in December 2003, we understand that Mrs. Carter has not taken up her duties in South Africa, yet she is in receipt of her full salary and other allowances. We would like the Minister of Foreign Affairs to inform this Parliament what is the status of our High Commissioner-designate to South Africa. Is our High Commissioner ill? Let the Minister tell us. Why is she not in South Africa? Why has the lady not taken up her duties as our High Commissioner to date, although she has received her instrument since December of last year?

Whilst the Minister of Foreign Affairs is seeking to provide some explanation to you and to this honourable Chamber, we would like him to clarify the recent purchase of four buildings for the mission in South Africa, as well as securing top class residence for High Commissioner-designate at an overall cost of \$24 million. We have spent \$24 million in acquiring four buildings in South Africa and they are empty. No one has occupied those buildings.

It is our considered view on this side of the Senate that the hon. Minister of Finance missed a golden opportunity to put his money where his mouth is; to demonstrate his government's genuine commitment to root out corruption and malfeasance wherever they may occur.

Mr. Vice-President, as you would recall, you are from Tobago, there is a PSIP for Tobago for 2004/2005, under that programme there is a section dealing with health, where the Scarborough Regional Hospital has been awarded the contract for this project which, I see in this document, is valued at \$118.1 million, sometime in March 2003. This project is expected to be completed by March 2004. There are many concerns that have arisen under this particular project and I seek to get some answers by posing some questions, through you. I hope the hon. Minister would be able to give this Parliament some answers before the end of this debate.

I want to take this opportunity to reiterate the call of the UNC for an independent enquiry into any impropriety or propriety surrounding this entire project, the Scarborough Regional Hospital Project. We need an independent

commission of enquiry to determine, among other things, whether NH International and its Executive Chairman has established a network of agents within the state procurement system, under the present arrangement, in order to ensure that his company obtains all building contracts. We believe a commission of enquiry—maybe the Minister of Finance can clear the air on this matter for us. We need an independent commission of enquiry into the Scarborough Regional Hospital. That is your money and my money. It is costing \$118.1 million. We understand that there is an overrun of \$20 million. It is up to the Minister of Finance to clear the air on this matter. We have learnt and we need clarification. We cast no aspersions.

We understand that four contracts were awarded to NH International. These contracts involved the Scarborough Hospital, as you are aware; the San Fernando Hospital, first phase upgrade; the Customs and Excise building that is under construction; and the Siparia Regional Complex. We understand, and we would like the Minister of Finance to let us know whether this particular contractor was the lowest bidder. If he was not the lowest bidder, how was he able to obtain these four contracts for these major development projects in our country. We need to determine whether NH International, which I was shocked to learn, is a foreign company registered in Oglan House, PO Box 309, Georgetown, Grand Cayman Island. I thought NH International was a locally incorporated company? It is a foreign registered company in the Grand Cayman. We want to know whether—this is a question for the IADB—this particular company, under the IADB rules of procurement, could receive any IADB financial contracts? We have done our research and it reveals to us that under Rule 2(6) of the IADB Rules of Procurement for works contract, NH International is not eligible for any IADB contract, since the Cayman Islands is not a member-country of the IADB. We need to know whether there was any collusion between this particular NH International, local officials of the IADB here and the Ministry of Planning and Development.

I ask questions. I cast no aspersions. We need clarification on these matters. That is why we have called for an independent commission of enquiry into this matter. The PNM Government must explain to this Parliament, through the Minister of Finance, why a foreign registered company is receiving contracts financed by the taxpayers of Trinidad and Tobago. Other local contractors are not getting contracts, but a foreign registered company in the Grand Cayman Island is getting contract after contract worth hundreds of millions of your money and my money.

Mr. Vice-President, we understand that there is a link between someone called Martin Riley, who is head of the Project Execution Unit at the Ministry of Health and this particular NH International. We want clarification. We cast no aspersions.

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We would like the Minister to clarify these points. That is why we believe that there is need for an independent enquiry into this particular matter. Sending the matter to the Integrity Commission is good. That is part of the journey. They can only investigate you and me and people who fall under the purview of its rules. NH International cannot be investigated by the Integrity Commission. Warner Construction cannot be investigated by the Integrity Commission. Romaine and Associates—the designers of this project, Dr. Rowley's project at Mason Hall—cannot be hauled before the Integrity Commission. We are in agreement with the Prime Minister. Send it to the Integrity Commission but Mr. Prime Minister, do not try to pull a fig leaf on this population. Apart from sending the matter to the Integrity Commission, there is need for us to establish an independent commission of enquiry into the other matters. That is what we call for.

It was the PNM that slaughtered us. They accused us of all kinds of misdeeds and wrongdoing, yet still today, this party that came on the platform of transparency, accountability, openness and ethics is now afraid, I am guided, to establish a commission of enquiry.

Mr. Vice-President, you know in the Grand Cayman, where this company is incorporated, this company is allowed to repatriate its profit out of Trinidad and Tobago to a jurisdiction that has secret banking laws? [*Interruption*] I understand that.

3.00 p.m.

I think that the time has come for the Ministry of Finance, the Ministry of Legal Affairs, which is headed by my friend, the hon. Danny Montano, and the Board of Inland Revenue to investigate these matters. We need to know whether NH International has been able to disclose the names of all its shareholders. Who really owns NH International? Who benefits from all the moneys that they are extracting from our country? We need to know! We can only know these things through an independent commission of enquiry. We do not know, we cast no aspersion, but we seek clarification.

We understand that Dr. Keith Rowley, the Member of Parliament for Diego Martin West, has 20 plots on this private development estate, and each plot is being sold for \$1 million. We understand that the men who are involved in the Accelerated Housing Programme as contractors are being called and told to buy these plots for \$1 million. We want to know! We seek clarification! We cast no aspersion on anyone's character, but all we want is clarification on these matters.

Mr. Vice-President, when we analyse this situation very carefully, even Transparency International, that recently released its Corruption Perception Index

2004 Report has put it even holier-than-thou that the PNM administration is under scrutiny. They are the ones who are going all over the world boasting about the beacon of light of transparency and accountability and, under their watch, our rating has collapsed. In 2001 our rating was 5.3 per cent; in 2002 it went to 4.9 per cent; in 2003 it went to 4.6 per cent; and in 2004 it went to 4.2 per cent under their watch. We are now being told by Transparency International, locally, under the PNM, this country is more corrupted than at any other time in our history. [*Desk thumping*] They are sitting here like saints and Pontius Pilate, saying that they are not involved in anything.

Mr. Vice-resident, that is why, when the Prime Minister flip-flops to cover up this transaction, we are saying that it is wrong. He has a responsibility, as the leader of this nation, to take action, otherwise, do you know what? He will be blowing hot and blowing cold.

Mr. Vice-President, I would like the Minister of Foreign Affairs to tell us whether persons who have been given big posts at various missions abroad are qualified for these posts. What are their terms and conditions of employment? Is he satisfied that they are doing a proper job? It seems to me that these are jobs for the boys and girls—former mayors of Arima and councillors seem to be enjoying these particular jobs.

I want to ask the Minister: How did Ashton Ford, the former Mayor of Arima, end up in London as an information attaché? We want to know!

Sen. Dumas: You do not have any respect for local government people.

Sen. W. Mark: You are not qualified. I am talking to the Vice-President, not you. Mr. Vice-President, Harvey Borris, a very good friend of mine—I do not know how he ended up in Miami. He flies in and flies out. I do not know who pays for these trips. Is it me, as a taxpayer? I do not know! I need clarification.

There is another person called Elvin Edwards, a former Mayor of Arima. I understand that he is located and properly housed in Toronto, Canada. We want to know how these persons got there. Are these persons qualified? I do not know. These are concerns that strike at the heart of the much touted PNM principles of transparency, poverty, accountability, integrity and ethics in public life. I pause for a while because I would like when the Minister is winding up for him to clear the air on these matters.

Mr. Vice-President, whilst we can boast about macro-economic indicators being positive in this country, what about micro indicators? We live in a sea of

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despair and despondency in this land. Ordinary people! The Prime Minister agrees that this is a “mauby budget”. That is no excuse. The reality is that the Government and its economic policies are ensuring that the poor becomes poorer in this country. All that the poor and downtrodden are receiving from the PNM are crumbs from the master’s table, and the real big shots like NH International are making “mas”; they are going to the banks smiling with hundreds of millions of dollars and giving us half work.

Do you know that so far there is a cost overrun of over \$20 million on that Scarborough project? He then comes and tells the country that he could do whatever he wants and that it is his material—he could move it in or he could move it out.

I have a contract here from the Trinidad and Tobago Institute of Architects which tells me that under clause 14, once a contractor brings materials on a job site—even though he did not purchase the material or pay for it—he cannot remove those materials unless he gets the expressed permission, in writing, by the architect of the projects. [*Desk thumping*] So, how Emile Elias could come and mamaguy this country and fool this nation and say that he could do whatever he wants! He thinks he is in the Grand Cayman Island so he could do whatever he wants! They are mamaguying the population. Mr. Emile Elias cannot take materials away from the Scarborough Regional Hospital site and send them to Dr. Rowley’s project unless he receives something in writing from the architect who looks after our interest. So, he cannot come here and mamaguy the people. That is for people who do not know.

Mr. Vice-President, I say to you, under this regime, we are now ranked at No. 54 under the Human Development Index. Up to 2002, when the UNC was in power—before the PNM conspired with the rogue criminal elements in this country to overthrow the UNC using the fad or the ambience or the cover of constitutionality—we were 49th at that time, and we are now down to 54.

Under this regime, we have had increases in prices of basic commodities. Poor people are catching their aunty, “nen-nen” and uncle to live in this country. Chicken prices have gone up; the price of flour has gone up; and rice has gone up. The Minister of Legal Affairs said to eat cassava and yam. “Danny, ah try that but it is too expensive, I cannot buy it anymore.” Poor people cannot buy cassava because it is more expensive than rice. Mr. Vice-President, what are they doing? We need to examine our national scoreboard in terms of national development in this country.

Mr. Vice-President, under the PNM, life expectancy has reduced from 82 years in 2002 to 77 years in 2004. Human and income poverty revealed that some 12.4 per cent of our people live on less than US \$1 a day, whilst 39 per cent live on less than US \$2 a day. This is according to the UNDP 2004 report. So, 50 per cent of the population live on less than US \$3 per day in this land, under the PNM. Mr. Vice-President, 12 per cent of our population is undernourished in this country. That is close to 156,000 people.

Income inequality has worsened in this country. Under the PNM, 10 per cent of the poorest people in this country receive less than 2 per cent of our national wealth; 20 per cent of the poorest people in this country receive less than 5.5 per cent of the national wealth and income. On the other hand, under PNM, 20 per cent of the richest people—in 2002 they were 40.3 per cent—they receive 46 per cent of the wealth and income of this nation. By the end of this year, they would receive 45.9 per cent. So, under PNM, the gap between the rich and the poor is getting wider. They are mamaguying people by zero-rating mauby, split peas and so forth. That is tomfoolery. What we need is a real change; not to give people handouts! They are de-capitalizing this economy. The IDB told them that.

This is a “do nothing” administration. They fiddle while Trinidad and Tobago burns. What is the status of the poor people in this land? They cannot buy potatoes; they cannot buy macaroni; they cannot buy rice; they cannot buy peas and they cannot buy flour under the PNM. They are going to tell the people in Laventille about the budget and how good it is for them. They are going to give them mauby.

Mr. Vice-President, hundreds of workers have lost their jobs. The Telecommunication Services of Trinidad and Tobago (TSTT) is going to retrench over 1,500 workers as the Government seeks to privatize TSTT and open up the monopoly.

The Port Authority is going to retrench hundreds of workers because Franklin Khan, the Minister of Works and Transport, has a privatization plan for the Port Authority. Mr. Vice-President, if you read the budget properly, you would see that the Government intends to introduce a new road concessionaire system. This means that they want to privatize the highways so that persons who drive on highways will now have to pay road charges or tolls. That is in the budget under infrastructure. They did not say that it is privatization; but the PNM is about to embark upon the privatization of our roads. Do you know what that would do? Hundreds of daily-rated workers and monthly-rated workers employed with the Ministry of Works and Transport will be retrenched. I need the Minister of Finance to explain this matter to us.

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We are told that old age pension, public assistance and public service pension may be a thing of the past, under this administration. Mr. Vice-President, hear what the Minister of Finance had to say in his budget speech. He said:

“The responsibility on the State to provide one’s welfare in retirement must be reduced and eventually removed.”

What does that mean? I want to repeat that:

“The responsibility on the State to provide one’s welfare in retirement must be reduced and eventually removed.”

Mr. Vice-President, who receives pension from the State? There are 98,650 recipients of old age pension, public assistance persons, as well as members of the disability community. There are also public servants—teachers, doctors, nurses, police officers, firemen and prison officers. They are the ones who receive retirement income from the State. We would like to know from the Minister of Finance, whether the Government’s plan is to remove that kind of assistance that has been traditionally granted to these categories of workers.

3.15 p.m.

Mr. Vice-President, we understand that the Working Group on Pension Reform is also seeking to increase the retirement age from 60 to 70 years, in terms of public officers; we need to know. These are areas we want clarification on. I warn the Minister of Finance. They want to introduce what they call “prudent criteria” for the management of pension funds. This approach is geared to subverting and undermining workers’ control and management of their pension funds. Right now, workers have representatives on the committees, they are trustees. *[Interruption]*

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

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

Question put and agreed to.

Sen. W. Mark: Mr. Vice-President, all I ask of the Minister of Finance is to clear the air on this matter; both in terms of old age pensioners, persons who receive public assistance as well as disability grants and public officers and this attempt to control pension plans currently under the control of workers.

This Government has not introduced any measures. We passed the Occupational Safety and Health Bill in this Parliament, yet the Act has not been

proclaimed; it has not been effected. We will like the Minister to indicate to us what the Government is doing about these matters. We got a lot of promises in the budget and they know that less than 10 per cent of those promises will be fulfilled, come the end of fiscal year 2005.

I ask the Minister of Finance: Is there one rule for Caroni (1975) Limited and another rule for the Water and Sewerage Authority (WASA)? There is something called "horizontal equity". If you are on capitalism and are allowing market forces to determine developments in this country, how come "yuh close down Caroni (1975) Limited"? You murdered about 100,000 people, directly or indirectly, because plenty Caroni (1975) Limited workers have committed suicide to date, because of the heartlessness of this regime. I saw the estimate of expenditure for WASA. WASA can only generate \$456 million, but do you know what is their overall expenditure for 2005? It is \$1,300 million. Do you know where the rest of money is coming from? The State will be subsidizing WASA to the tune of \$800 million.

Mr. Vice-President, I have nothing against the WASA workers; whether they are daily, monthly or weekly. The Government's argument is that it closed down Caroni (1975) Limited because it was a loss-incurring operation. They said efficiency; they wanted to save money. They are prepared to spend \$800 million to support WASA, although it is a loss-incurring enterprise, but they are prepared to send home 10,000 workers. It is political wickedness; it is vindictiveness on the part of the PNM. They had no other reason for sending those workers home and closing down Caroni (1975) Limited, except vindictiveness and evilness on their part. They are keeping WASA open. I have nothing against the WASA workers, but I think it is wrong. If they are talking about horizontal equity, the same law for Caroni (1975) Limited should be the same law for WASA. But they will not do that; they have their own agenda.

There is a matter of concern to us. The PNM made a decision in June of this year. I was abroad when it was laid in this Parliament and it was brought to my attention, just a couple days ago. The PNM has taken a decision to, effectively, transfer all and related functions vested in the Director of Surveys, to an unknown entity called the Commissioner of State Lands. The administration and distribution of land are under the control of the Director of Surveys. This Government has surreptitiously tabled in this Parliament a legal notice removing those functions from him and has put them in the hands of somebody called the Commissioner of State Lands. He can now distribute land.

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I have heard that they have advertisements out, but they are picking and choosing. They want to manipulate the new person, who is the Commissioner of State Lands. So when they say, "Gimme partner in Caroni (1975) Limited 10 acres or gimme partner in some other place 20 acres," they want the Commissioner of State Lands to do that. I want the Minister of Finance to tell us what is going on. Why did the Government take the decision to transfer the functions of the Director of Surveys, for so many years, and put them in the hands of a new entity, that will now be responsible for the distribution of the 77,000 acres of land of Caroni (1975) Limited? I want some clarification.

Agriculture is a waste of time. The Minister talked about some five or six pillars; agriculture is a waste. Out of a budget of \$28 billion, there is \$52 million toward capital expenditure in the agricultural sector. "Dem could be serious?" Can the PNM be serious about agriculture? They murdered agriculture when they closed down Caroni (1975) Limited, that is why today the agricultural sector has contracted by 20 per cent; negative economic growth. But you are talking about agriculture? You do not care about agriculture. Mr. Vice-President, not you, Sir, them.

I want to deal with the competitive exchange rate. I was shocked and horrified to see the Minister of Finance, in the budget statement, making an incursion into a domain that is supposed to be exclusively that of the Governor of the Central Bank. He introduced this into the budget statement for the first time since the former Minister of Finance, Wendell Mottley, and, of course, the honourable George Chambers, may his soul rest in peace, devalued the currency, back in 1985. I want to go to page 10 of the *Budget Statement 2005*. I notice the Minister in the Ministry of Finance, my good friend, steered very clear of it today.

I want to remind him of this:

"We shall therefore maintain the appropriate domestic macro-economic environment including a competitive exchange rate..."

including a competitive exchange rate. Why was it necessary for the Minister of Finance to tell us that he is going to tamper with our foreign exchange rate? He wants to introduce what is called a "competitive exchange rate". Do you know what that is? It is one that ensures that our export sector remains cost competitive, in relation to other sellers on the international market. We want to find out from the hon. Minister in the Ministry of Finance: Is the intention of this regime to depreciate our currency? Not devaluation; when you have a fixed exchange rate, you have devaluation. When you have a so-called managed float,

you have depreciation. We want to know if it is your intention to depreciate the currency by manipulating the process.

I will like the Governor of the Central Bank to wake up. Is the Governor of the Central Bank in bed with the Minister of Finance? Is the Central Bank now a department of the Ministry of Finance? How is it that the Governor of the Central Bank has remained so quiet on such a very fundamental issue, like the Minister of Finance telling this country that he is going to establish a competitive exchange rate? Mr. Vice-President, I want to warn the Governor, through you, that there was a governor in Argentina who was in the back pocket of the ruling party. He did everything they told him to do and the Argentine economy has collapsed. I warn the Governor of the Central Bank of this country, “Doh play political footsie with the future of this economy and this nation.”

I will tell you why I am telling you that. We read page 4 of an article about consultation involving the International Monetary Fund (IMF). I think the Minister has a copy of this article as well. He did not pass it on to me, but I got one. It says:

“The mission welcomes the CBTT’s indication...”

That is the Governor.

“that its exchange rate policy is flexible and, in particular, that—in the event of changes...in the market—it would be willing to allow the exchange rate to move in order to safeguard the reserve position.”

This was in the IMF statement of July 2004. In October of 2004, the Minister of Finance tells you and I that he wants to introduce a competitive exchange rate. Is there collusion between the Governor and the Minister of Finance, on this very important matter? We need clarification and answers on this matter.

I advise the Minister of Finance that this US \$250 million, coming out of our foreign exchange reserves to finance private sector capitalism in the region, has to be revisited; our reserves are being depleted. It is a new form of capital flight. They are taking our money; \$550 million from the Central Bank were sold on the commercial market. We heard from the Minister of Finance that out of that amount, US \$250 million were sold to firms that went to invest in other Caribbean countries. “Yuh” want to invest in other Caribbean countries? You generate your own foreign exchange. Do not tamper with the people's foreign exchange. Why are you selling out our country? That is a form of capital flight. We do not appreciate the Minister of Finance and the Central Bank Governor just tampering with our foreign exchange in that kind of way.

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Criminal activity in this country is cause for alarm. We understand that there are two arms of the protective services. Young men are being butchered, murdered and slaughtered in this country by rogue cops and criminal elements in the police service. None of these people has been arrested. We understand that there are two arms of the protective services: one under the Commissioner of Police, to protect and serve and another called the “Anti-Crime Unit”, whose responsibility, apparently, is to hunt down and execute people. We want to know from the Minister of National Security if there is a death squad in this country. Is there an assassination squad in this land? This young man from my village in Carenage was defenceless. He was shot in his head at point-blank range by these criminals posing as policemen.

We have to be careful. People are boiling in this country and things are going to erupt. You cannot continue to massacre and slaughter innocent people in this country, as some elements are doing. There will be a revolution in this country if this continues; and the Government remains silent. It says nothing about these matters. They murdered a woman called Gailene Bonadie in Caledonia; up to now nobody has been held.

Mr. Vice-President, I want to let you know that, on this side of the Senate, we have many more things we will like to say. I advise that in the period of incompetence we are going through, disunity, instability and disharmony, brought about by a regime that seems to be unwilling to bring about changes in a positive way, we are going to have some trouble ahead of us.

3.30 p.m.

I believe that hope is here. I think the UNC is here. Hope is here! [*Desk thumping*] The UNC is here! We offer to this nation a new vision, a mission, strategic direction and hope for the future. We are committed to a knowledge-based economy, technologically-driven, highly innovative and based on the principles of justice, equality and fair play. It was the late and great Martin Luther King Jr. who said, and I quote:

“Without justice there can be no peace in the land. He who passively accepts evil is as much involved in it as he who helps to perpetuate it.”

In closing, I want to warn this regime, led by our Prime Minister—a gentle warning—it appears to me that this Government is embarking on a dangerous dictatorial path and what lies ahead for him and his regime if he does not change his direction. It was Mahatma Gandhi—and this is my last statement—who said to the poor and down-trodden when they had this yoke called British colonialism and imperialism around their necks. He said:

“When I despair I remember all through history the way of truth and love has always won. There have been tyrants and despots and murderers and for a time they seem invincible, but in the end they always fall.”

Mr. Vice-President, we predict today that the PNM is destined to fall. It is merely a matter of time. Hope is near, for the UNC is here. I say to the PNM and to the regime, listen to the people; they are crying out. Deal with brutality in the police service; stop mamaguying people with handouts and 10-days. Oil and gas will run out, and when that happens, if our house is not in order, our destination point would be Haiti or Guyana.

I thank you very much. [*Desk thumping*]

Sen. Mary King: Thank you, Mr. Vice-President. I certainly agree one day the oil and gas will run out.

It is indeed a pleasure for me to be in this Senate once again to comment on yet another budget presentation. The 2004/2005 budget presentation is surely not a strategic management rollover plan for the socio economic development of this country, but it appears to me that this presentation has made some positive moves in that direction, which I would detail a little later in my contribution. But for now, I would like to just ponder over some of the previous budget statements which have been discussed in both Houses over the last few years and those debates have taken the form of a *de facto* critique of our development plans, or lack thereof, and on each government's achievements.

So within this context, I beg your indulgence to link some of those previous budget statements and our related comments to what is actually before us today in this budget, in an attempt, as it were, to ferret out the typical facets—which I hope are real—of a strategic plan. These should be a vision or mission, objectives, strategies to implement the objectives and, of course, a controlled process in measurement of performance so that we can adjust our strategies as we go along, or even our objectives, if things change.

In my contribution last year, October 2003, I had the opportunity to compare the approaches of the two political regimes. What was very interesting then, about the two governments, was the similarity in the thought processes of both regimes. They both found themselves in a period of very good economic fundamentals, with an energy sector that was doing well—and is still doing well—but with deceptively decreasing unemployment and with that poverty rate of 25 to 30 per cent. Hence it was mandatory for both of them that they set about alleviating the plight of the poor and the destitute.

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Both Ministers of Finance in their separate presentations of two consecutive years, reduced VAT on certain items; they attempted to improve the health services by purchasing new equipment and they provided free drugs. These moves were met on both occasions by commentators, both in and out of the Houses of Parliament, with responses that this kind of approach will provide us with a welfare state; will create a dependency syndrome.

Both governments talked about increasing the fraction of the cohort at the university up to 20 per cent. They included support for investment, first via the DFL, and then we went to the Small Business Development Company, which has now been further developed into the Business Development Corporation and NEDCO. So there were similarities. The October 2002 budget even introduced then, the idea of creating a credit union bank, all in an—up to now—unsuccessful attempt to drive local investment in the hope for economic change. In that budget debate, I observed that both governments seemed incapable of putting together the matrix for economic development, a matrix that binds knowledge, entrepreneurship, innovation, venture capital, centres of excellence and the local branding market into a vehicle for economic and social development.

In other words, though we were spending sums—and large sums—on education, we were talking about technology parks, we were visualizing low level information-based industries, we were actually innocent, I think, up to then, of what it takes, what systems are necessary to drive the economic reinvention of this economy in the face of the depleting resource based offshore. We were talking about spending money but we were not talking enough about how we continue to produce new wealth in the onshore sector.

So let me look now at the last budget statement. In the critique of this budget, the Opposition claimed that its six budgets before, whilst they were in power, were all stepping stones in the economic development of the country, and they said then, the idea was to make it into a knowledge-based one that accentuated competitiveness. It was important, they thought, to have our people operating at the upper end of the economy and not continue as low-cost, low-wage suppliers, they claimed. The Opposition then explained the need to diversify the economy away from gas, oil and into leisure, marine, chemical, food and beverages, lastly, IT (Information Technology) and electronics. Indeed, these comments, if they had actually mirrored the performance of their government in their previous six-year stints, would have been very laudable. But that was not the case.

In that year, we discussed—and I demonstrated—that nothing had been done by either of the regimes with respect to the creation of the innovative layers of our

economy. And in particular, the idea then behind the creation of the Wallerfield Park was to do exactly what the Opposition is saying today, what we should not be doing, and that is, exploit low professional labour rates and cheap resources. Some of us, for this purpose, keep these budget debates so that we can glean if there was policy; if there was vision and any movements either forwards or backwards, by particular regimes. In that way it becomes part of our economic history.

Examining last year's budget, it concentrated on maintaining the economic status quo and the provision of enhanced social services. We spent \$425 million in transfers, allocated mainly to unemployment alleviation in URP (Unemployment Relief Programme), in CEPEP and in providing unsustainable jobs. In fact, that budget last year allocated a disproportionate expenditure on the traditional economic and social programmes against that for economic reinvention of our onshore economy.

I was concerned—and I still am—about the lack of management and controlled systems in place for the huge amount of funds that are so allocated. In particular then, I made special mention of the \$2.8 billion—this year increased to \$3.14 billion—allocated to education and after similar sums had been spent year after year, with little to show us with respect to the creation of a modern education system. We get a same old, same old—

Last year arguments were advanced by the Government for the absence of investments in the restructuring of our economy, and these arguments included the fact that the Vision 2020 team had not yet reported, and one year later it has still not reported. I have heard today it will report by December 2004. That is very good news.

Another argument was that the Government is intent on developing the trappings of a developed society and that Vision 2020 is really about taking our citizens to where they can enjoy the living standards of a developed country, in health care, in opportunities in education and in meaningful support systems. Again, the accent is on increasing the demand side on income and nothing on the creation of new industry, new product, new services, new jobs or new wealth-creating activities, which some people call the supply side. We did not see enough of that last year.

The third argument used by the Government was that our natural resources were demand-driven and will go on forever. In fact, it had appeared to me that the Government had turned away from the ideas of restructuring our economy towards the enlargement of an energy sector that saw no bounds on natural

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resources and no bounds on foreign direct investment. They said then the returns from that sector, the wealth is to be used to provide the nation with the trappings of a developed country.

My concern then—and even more so now—is that in spite of the high prices of the energy sector products, the reserves are not there to support such a vision for the sector, especially since the proven reserves-to-production ratio is so very slim. And recently on that note, with the concern that Government would not get its expected revenue from its tax collections in the energy sector, BP (British Petroleum) actually went public with the fact that its oil production had fallen this past year by 30 per cent and that it had moved forward some of its investments in renewals of exploration and production.

This suggests to me that all is not what we were led to believe it was with respect to our reserves and our production rates. We do expect that BHP Billiton's contribution will increase our oil production, but even this company has already reduced its estimates of its find and its production rates. High energy prices may not constrain our revenue but concern is mounting as to our capacity to produce over a significant time frame. It may be shorter than we thought.

Mr. Vice-President, I took time out to review the last two budgets, and even what went before it in some cases, to put in context the following comments on the present budget, the 2004/2005 budget statement. What is clear is that up to now nothing significant—that is at the strategic level—has been done to put in place a system which contains processes, inputs and outputs, which will reinvent the onshore economy, especially a science and technology innovation system. So this neglect, really, can be laid at the feet of both governments. We have not addressed the sustainability of the long-term supply of income-generation, that is, up to now—none of the governments. Hence it is with surprise that I listened to the Opposition's regurgitation of the IDB critique of the present Government's non performance in restructuring the onshore economy, when they were actually as guilty as everybody else when they were in office.

I would like to digress a bit from the main theme of my contribution to comment on the role of these multilateral lending agencies; these institutions from the north, like the IDB, the World Bank, the IMF and the like, in the damage that they have wrought to the economies of the developing south, and we should take note.

3.45 p.m.

Under structural adjustment, we were victims of the International Monetary Fund (IMF) and the World Bank, as they administered their so-called first

generation reforms of the Washington consensus. The basic strategy then consisted of fiscal discipline; tax reforms; liberalization; exchange rate devaluations; encouragement of foreign direct investment and privatization. The big disappointment was that although the consensus was instrumental in bringing about economic stability and restoring growth in some countries, it could not deliver the broader policy goal of adequate per capita growth; reduction of unemployment or the eradication of poverty. As a matter of fact, things got worse.

The results were disastrous not only in Argentina but also in Venezuela and other countries. Their first generation reform's advice to sell food to pay their debts in Malawi has caused famine and destruction of that country. If we look at what we did in Trinidad and Tobago, we had Point Lisas and expanded into Point Fortin. These were innovative ideas of our people to exploit our natural gas which was then a waste product. With structural adjustment and privatization we sold these plants. We destroyed the capability and capacity of our people to operate on the international stage as owners and relegated them now to be plant operators. We have seen the absolute mess made by the IMF and the World Bank in the fiasco that was the crisis of the Asian tigers. Malaysia was the only country that ignored the advice of the multilateral lending agencies and controlled its foreign exchange outflows. It was able to recover very quickly from a situation that had its genesis in the policies of these twins, the IMF and the World Bank.

If we had more time today, we could have discussed the perils that await us when we look at the World Trade Organization and the Free Trade Area of the Americas. I am sure that we will get an opportunity in a later debate to discuss those. I know that I have digressed a bit from my original contribution, but I think that we have to warn against the advice, analyses and dictates of these multilateral institutions, as they have wreaked such havoc on us from the south.

To go back to Trinidad and Tobago, I would like to quote from one of our adopted and eminent economists of the region, Prof. Kari Levitt in which she has chastised the recent generation of Caribbean economists, for having failed the region in providing intellectual leadership and not addressing the real problems, of the real people, in the real economy. Kari Levitt says:

“Years of official tutelage of public policy by international lending agencies have eroded the critical faculties of the profession. Mimicry and dependence on ready-made doctrines have displaced the early tradition of Caribbean economists, which sought to understand the persistence of economic under-development in terms of societal structures inherited from the plantation legacy.”

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These gurus to whom Prof. Kari Levitt referred are still with us today. They have been trained at the feet of the World Bank and the IMF and they live on to threaten us with massive devaluation of our exchange rate; fears of inflation and in the state of strong economic fundamentals, with very little constructive advice to add on economic reinvention of Trinidad and Tobago. At this stage I would banish the gurus who are talking about devaluation.

I listened to the budget 2004/2005 presentation and then I had to rush off to a radio programme and a discussion at a television station that same night. I appeared to be the only one on both shows that expressed some hope from what I had heard in the budget. By now, the breakfast meetings of various chambers and the pronouncements of the learned economists and labour leaders all appear to see the budget in various derogatory terms.

In putting my position in perspective, I will like to restate the management principles of the governments of the last eight years. They were simply using the proceeds from the energy sector to improve social services, in particular, education, health and the alleviation of poverty. We were trying to encourage further FDI and increase the returns from the energy sector. We had talk here and there about reinvention but no real reinvention took place.

In this budget statement the Minister of Finance has three objectives. We still do not have Vision 2020, but I presume that it is within the context of Vision 2020. These are, to maximize the returns of the energy sector; diversify the economy to reduce the dependence on the energy sector and to ensure that the benefits of the economic growth and development are shared by all sectors of the population. Implied in that growth, must be a creation of full employment involving permanent jobs, not unsustainable jobs, and a high quality of health, education and general welfare.

I will take these three pillars one at a time. The first pillar is the maximization of the returns from the energy sector. Much has been said about the complexity of the sector and why the new taxation regime has not been implemented. An interesting statement by the Minister was that the report of an international consultant was that we should leave well enough alone, since on average we were getting an adequate piece of the pie by current world standards.

Another aspect of this maximization is that we should attempt to invest in downstream LNG in, for example, a degasification plant, so that we can benefit from the higher downstream price streams of that product. It is easy to see that as one looks at the whole value chain of natural gas from the wellhead, to say, when

it is sold as a unit of electricity, our tax take is extremely small. This is how the business is done.

The decision for the Government is whether investment, where all we have is rate of return on investment or dividends, is better for us as a country, than investment in reinventing the economy; investing instead, in developing the capability and capacity of our people. Investing in the value chain does not relate to the creation of a sustainable economy, especially an economy based on a depleting resource. This decision relates to optimizing the use of our resources vis-à-vis, developing long-term revenue generation. I think we have to put that on the table.

The Minister also talked about revisiting the production sharing contracts. In their present form, Government actually pays a contractor's taxes out of its share of profit petroleum. Clearly, this is a blunder in the tax payment structure. I trust that when we revisit the production sharing contracts that we do not overlook this point. We would be no better off if we do.

I will jump the second pillar and let us look at the third pillar which is ensuring that the benefits of the economic growth and development be shared by all the sectors. At the moment the onshore sector, on average, depends for its survival on the earnings of the energy sector. The problem we have today is about the reinvention of the onshore.

The improvement of the social services for the alleviation of poverty; unemployment; reduction of taxes and increase in pensions are very laudable, especially in the situation in which we have 25 to 30 per cent of our households living below the poverty line. Today we have heard that we have 39 per cent. That we have to double-check. We have 39 per cent living below US \$2 a day. That is less than TT \$1,000 a month. We have great problems.

Last year I also addressed this problem of poverty. It is worth repeating today because I do not think that we have looked at the issue. I said then that the longer term approach has to be the rebuilding of the structures of families in crisis; those in which our children are unsupervised and the children see no future in the education offered to them. Some of the money spent on social services has to be redirected at financing these mothers so that they can stay at home to supervise and influence the behaviour of their children.

We are putting our mothers on the street with a bushwhacker or to clear up after a bushwhacker. This is make-work. This is not what family rehabilitation is about. We have to get the financial support directly into the hands of our mothers

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and they should be allowed to stay at home whilst they have young children. We have to institute a dole whether you call it a family allowance or whatever. We have to change the system. It does work in other countries and I know that it is also abused in other countries, but it can be controlled. The system must go hand in hand with our pre-schools and the training element that will allow the parent/mother to eventually be able to find sustainable work, after the last child goes to school. This is a serious issue that this Government has to take up.

There is absolutely no doubt that we need a good health service, if we are to have a productive nation and people who can enjoy the proceeds of their efforts. We have been trying to restructure the health service and fund it at a level that will provide the kind of service that we expect and deserve. The move to the Regional Health Authorities has turned out to be a management nightmare. Under the last regime, the demonstrated corruption has been endemic and this has ushered in a near collapse of the management. This has not been helped by the inability of the management, the ministry and the employers to agree on an efficient operating system.

As chairman of one of the Joint Select Committees that looks at the Regional Health Authorities, I can tell you here and now that the problem is not money. These problems will obviously be detailed in our report to be laid later in Parliament, by which time we hope to make recommendations for the improvement of the health services. The RHAs are in a continuing state of conflict among the doctors, nurses, pharmacists, lab technicians, managers, unions and directors, even the ministry staff. Pouring money into this dog fight is not going to solve anything. No one takes responsibility for the public good.

4.00 p.m.

Mr. Vice-President, if you examine any one of the recent conflicts, it is always the public, and the poor at that, who have suffered during the conflicts.

The health sector is broken and it has to be fixed. Its repair has to be fundamental and one has to look at replacing the RHAs with something that rewards its participants well, but with rewards come responsibility and we must also demand accountability for providing good health care to the public, and in particular the poor public. I think the experiment has failed; it has collapsed, so let us do something about it.

Mr. Vice-President, let me turn back to the second or middle pillar, which is the diversification of our economy. This has been on our agenda since, whenever. When we built Point Lisas the idea was to diversify and monetize our natural gas.

Our private sector was supposed to go downstream into gas-based products like plastics and petrochemicals and this did not happen. We are still talking about it even today in the other place. We have heard about plastics and petrochemicals up to Tuesday evening.

Today we are also talking about diversifying the economy in the non-oil sector, again, asking the private sector to take the lead. It is my contention that the private sector, as we know it, is incapable of taking the lead in the present circumstances. Diversification and, in particular, the reinvention of our economy needs, at least, entrepreneurs who are willing to take risks. Our private sector does not need to take any real initiative or any real risk in order to make its money.

Coupled with this are the existence of our truncated economy, one that is devoid of upper levels, the innovative minds, the people normally involved in inventions and development and research, and the subsequent exploitation of the new ideas that come out of this research.

Mr. Vice-President, there has to be a system put in place to build these layers and to sustain the various processes that would eventually create the innovative small and medium entrepreneurial innovative enterprises. We are not talking about toolum, ice cream and nuts; we are talking about real live research development, new products. In other words, Mr. Vice-President, in today's globalized market we need to develop a science and technology innovation system. I have spoken at length on this in the Senate before. I have defined this as the creation of the innovative diamond, the training of the human resource; the provision of centres of excellent; the development of the small and medium enterprises, the provision of venture and risk capital and the development of our local test markets for the innovative product, all with the view of creating an export capability.

Mr. Vice-President, although this budget statement was not structured in the form of a strategic plan, however, it gave glimmers of hope. The following items, which I was able to glean from the presentation, I think, could be the basis of a sound innovation system so long as we build upon it.

First, instead of simply increasing the tertiary throughput of the education system, there is a plan on the way to develop a new technological university. We have not just kept saying that we are going to increase the number of people at the university; we have now linked it to a new technological university in conjunction with an industrial technological park at Wallerfield. This plan appears to host an incubator and centres of excellence. Facilities in this park suggest—I keep

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hoping—that the creation of the small and medium entrepreneurial enterprises is one of its main objectives.

Second, Mr. Vice-President, the budget statement talks about the modification of the Venture Capital Act. In this Senate we have discussed, in particular, the amendment to incorporate Corporate Venturing, which is now before a Senate committee.

This budget statement also talks about a part of our energy sector savings to be used for those same strategic investments, again I hope, in support of the small and medium-sized enterprises. I presume that this is an option that the Government will be looking at.

Thirdly, reference was made to the telecoms, energy and finance sectors as important developing clusters. These could be local targeted markets for small/medium entrepreneurial innovative developments. In particular, Mr. Vice-President, by enlightened government procurement principles, Government could become a test-market cluster itself. For example, the IT service is one sector which could be used by the Government as a test-market cluster.

The Government Green Paper is now out for public comment and it actually recommends favouring local small/medium enterprises in governmental projects, I think, is “a step in building our test market.” I believe the Minister mentioned an amount of 10 per cent of Government projects will be allocated to small and medium enterprises and, therefore, that is a very positive move.

However, I would like to put on the table a development of this further, in that if one looks at the ICT plan, which is the fast-forward scenario, when you look at the various ministries and institutions requiring IT development, one sees immediately that with the focus on more local content we could have the basis and beginnings of a sophisticated, up-market IT local industry in the making. I trust that this is the Government's vision as well.

Mr. Vice-President, these budget developments actually cover the four fundamental points of the innovative diamond which we have been trying to create for many years. Of course, we must have concerns, concerns that this glimmer of hope could die for various reasons. The reason could be that the planners and implementers do not recognize that restructuring an economy is a long-term process; it is not an overnight process. Hence opting for short-term gains say, by using the technology park just to attract assembly plants on concession, or just using the new university as a degree mill to put out 20 per cent of the cohort; if this is the main focus this could put paid to the whole process of reinvention.

Mr. Vice-President, what is of more importance is the provision of the people system, putting in place the leadership across all the sectors of the community that recognize we have got to work together. We have got to pull in the same direction if this is going to happen at all. We have all heard about Ireland and Singapore where the government, the opposition, the labour union, the bankers, et cetera, all came together to form one compact group with a pact that included compromises on wages, compromises on employment levels, investment support and ensured the combined support of the entire developmental effort. But here, instead, which makes our glimmer of hope fade a bit, is the response to this budget statement. We see a dog-fight where everyone seems to be not in support of anything, but tell us why the foreign exchange rate will collapse; why support of the poor does not build an economy; why nothing anyone suggests will actually work. We appear to be a nation that thrives on conflict. If there is no compromise among these warring partners: labour, capital, the Government, the Opposition or the private sector, then the only hope is that the oil revenue holds out while we fight among ourselves and divide our society even further.

Mr. Vice-President, the facts before us are that we are exploiting very quickly a depleting resource. We can use the rewards from this to improve our social systems in the short-term to medium-term and we have to invent the onshore economy to ensure our long-term supply of income. As long as our various community and political leaders are at each other's throats we will be unable to build the economy.

The Prime Minister, in his presentation, focused on transparency and accountability. It was with great relief that I actually read the Government's commitment to transparency and accountability. We also have at this time the Green Paper on Procurement out for comment. The Green Paper includes a paragraph, which focused on using procurement process as a tool in national development. My fear is that although we have this foresight on paper, we still have a procurement process—Mr. Finance Minister, through you, Mr. Vice-President—that does not include any marks for local content, so we are not encouraging local sector development.

Some countries like Canada stipulated at least a minimum of 60 per cent local content when it was trying to build its own local industry. So you were allowed up to 40 per cent in foreign content. We need to re-look at the procurement rules to ensure that we have within there a local-content clause.

Mr. Vice-President, while we are looking at this Green Paper on Procurement, I would like to suggest that the Government takes on board its new rules, the

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Integrity Pact, which has been developed by Transparency International. This pact goes out of its way to minimize corrupt practices such as the giving or taking of bribes to effect contract. It is a signed pact among the players within the contract scenario: the Government, the public entity, the contractor, and there are very severe penalties for breaching the agreement. The penalties range from being blacklisted from all future contracts, to fines, and even to jail terms in certain serious conditions. We would not have what is happening now in the newspapers on the Tobago issue had we got proper integrity pacts. We would not dream that such a thing would have happened.

Mr. Vice-President, the other thing on which I wanted to touch was the Corruption Perception Index (CPI), which came out yesterday. Trinidad and Tobago has taken another dip in the TI's annual CPI; we are down to 4.2 on the index. We are perceived to be among the world's 60 most corrupt countries out of the 146 they surveyed this year. Mr. Vice-President, if we are serious about transparency and accountability we have to make some serious changes within our integrity systems.

I have some questions to ask pertaining to our integrity systems, which I think we have to look at seriously. The first question is: Why does it take years on end before cases which are before the courts are decided upon? Remember the Judiciary is one of the pillars of integrity, which is very important in the integrity system. Why have we not given sufficient resources to the Auditor General's office? Public sector accounts take too long to come before the Parliament. This is not efficient parliamentary oversight; it cannot be. Does the Integrity Commission have sufficient technology or investigative skills to assist in its work? This workload has grown tremendously with the previous amendment to the Act, it now includes hundreds more public officials to be scrutinized.

I believe this budget has said \$7.3 million will be allocated to the Integrity Commission; I am wondering what they could do with that other than probably pay salaries, buy some computers.

4.15 p.m.

Also, why has this Parliament not established the Ethics Committee as stipulated under the Integrity in Public Life Act? Why have the Oversight Joint Select Committees of Parliament not been given any resources? Up to this day, we are working with borrowed parliamentary staff that have little time to dedicate to any follow-up work of these Committees. The Joint Select Committees do not even have a space within which to put their books or documents. We do not have

a phone number whereby the public can contact us directly. We do not have any research personnel to do any analysis on our behalf.

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. Dr. E. McKenzie*]

Question put and agreed to.

Sen. M. King: Thank you, colleagues. A bigger question, I think, which seems to elude all governments, is: Why are Government ministers on these Committees? Many times a meeting cannot be held because of a lack of a quorum. Government ministers are too busy to attend these meetings. And, in most countries, these oversight committees are made up of the Opposition, and Independent Benches where they exist, as it is a known fact that a government minister cannot oversee himself or his ministry. Besides, Mr. Vice-President, in New Zealand, when a Member is unable to attend, he or she informs his or her political leader who will then, and must, appoint an alternative to attend the meeting, so that a quorum is never a problem.

We have got to examine both the resources, the membership and the processes by which these Committees can be made to do their work, that is, if we are serious about transparency and accountability.

Mr. Vice-President, although I have seen little concrete moves over the years towards reinventing our economy, this budget gives hope. I notice, however, that all the recent presentations of our Government have talked only about the energy sector as the engine of growth but, hardly a look to the future towards a depleting resource and towards price volatility apart from setting aside earnings or surpluses into the Revenue Stabilization Fund.

Mr. Vice-President, we need to know what is the energy task force predicting for us as a country. We need to know how they are thinking. Yes, support of the disadvantaged in our society is a must but, also a must, is that the moneys so spent, must be properly directed; there must be controls and measures of the success of the objectives and the spending.

Finally, I think of extreme importance to all of us, is the need to get all of us involved, pulling in the same direction. Anything else will keep us back but I still have plenty hope, as they say in the local parlance.

I thank you very much.

The Minister of Local Government (Sen. The Hon. Rennie Dumas): Mr. Vice-President, I thank you for the opportunity to place on record my sincerest congratulations to the Prime Minister of the Republic of Trinidad and Tobago and Minister of Finance, the Hon. Patrick Manning, for his leadership in the development of this budget and this fiscal package we are discussing today. I further place on record my congratulations to the Minister in the Ministry of Finance who presented it to us today.

Mr. Vice-President, the Independent Senator did attempt to have a discussion, as the discussion should be, in terms of the development imperatives that face us as a country as we get to the discussion on the budget for 2004/2005. Unfortunately, she could not wipe out the sense of disappointment to which the Senate was subjected by the Leader of the Opposition Benches in the first discussion.

The pretended vituperation that we were subjected to here when the goodly Senator, attempting to speak for a regime that we understand has been fully discredited, and despite the time they would have had in Opposition to enjoy as we were told one last time, the opportunity to reflect, came to the table again without an alternative to what was presented by the Minister of Finance. This is very worrying. And even as he attempted, at the end of it, to dare to suggest that this is an alternative to the present Government, I think it is only good manners why the whole Senate did not fall down laughing.

We have a coherent discussion that is placed before this nation by the Minister of Finance. The Minister of Finance provided us with some discussion documents and some study papers that are very well crafted. I think that if you come before the nation this afternoon it will be very difficult to ignore the contents of this document.

Any country in the world, any parliament in the world, any government, in the world, any people will be quite proud of the achievements that are established in the *Review of the Economy 2005*. [*Desk thumping*] The tale told in this document is a tale of a people sure of where they want to go, what they want to do, well led, productive for the last 10 years, returning rates of growth which would be the envy of just about every other population in the world. This is the reality. Not the figment in the minds of the people sitting facing us on the first level of the Benches in the House this afternoon. Anywhere in the world a people would be proud of this. We see in the review an exposition of growth that speaks to our productivity, speaks to our efficiency, speaks to the competitiveness of our firms, the efforts of our people and, of course, the natural endowment of the country which we happen to live in. But they could have told another story.

Many a country blessed with the same resources are floundering in underdevelopment to the greatest extreme and the elements of negative growth today. I suggest that it will behoove us well to take this story and use it as a platform for development. No matter what are your political aspirations, take this platform and build a pathway that you can put before the people of Trinidad and Tobago and then we could have a place to compete. Unfortunately, the Opposition failed to demonstrate that it either respects the people of Trinidad and Tobago or has any pride in our achievements as a people and a country.

This House has previously been subjected to a description of animals that make a certain sound, and I am suggesting that we would do well to avoid having the same thing said about us this evening.

In every country, distribution is an issue. I think there has been an explanation in the *Review of the Economy 2005*. I recommend the text. There has been a demonstration in the review of distribution, of the efforts that have been made and the returns to those efforts by all sections of the economy and the population. In response to a question raised that the efforts of a certain section of the population are being rewarded at an increasing rate that is larger than the reward given to other sections of the population, I want to suggest if we read that note again, Sen. Mark would recognize that in terms of the redistribution questions, the question of the redistribution of the benefits of the economy, he would see that the lower levels of the economy, the lower earners of the economy are, in fact, achieving an ever-increasing rate of return for their efforts as against any other comparative time in the history of this country. That is where we are; the lower ends of the economy, those people for whom, every time we come here with a programme, we are told hand-out, make-work, or some other derogatory term. That group in the population who would not now be earning, having the pride and confidence that their day's work counts; that section of the population is receiving at an increasing rate, an increasing income from the benefits and income of this economy today, all led by the Government of which I am proud to be a member.

In terms of the regions in this country, the regions that were historically at the bottom end of the economic ladder; that suffered from those high double digits rates of unemployment where there was no economic activity since the plantation days. If we examine those regions today we will see that there is a change. Those people are seeing the value, and those people are the recipients of the redistributive functions that we are practising; including the rate at which we are putting capital investment in those regions, in which we are changing the quality of community capital they enjoy; the rate at which we are encouraging

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firms to invest in those regions, and to create meaningful employment, in the large measure sustainable. If you want, you could see as the people of St. Patrick, if you want, you could see as the people of Tobago, if you want, you could see as the people of Northeast Trinidad, because I am saying the information is documented, but you cannot learn if you do not read your school book.

Intergenerational change is also reflected here.

Mr. Vice-President: Hon. Senators, it is 4.31 p.m., and I shall have to ask Sen. Dumas to continue his contribution after the tea break. We shall take the tea break now and return at 5.10 p.m.

4.31 p.m. *Sitting suspended.*

5.10 p.m.: *Sitting resumed.*

Sen. The Hon. R. Dumas: Mr. Vice-President, thank you for the opportunity to continue.

Mr. Vice-President, I have a friend who says that the economy does not happen in space; it happens somewhere. Again, we see a government that is ensuring that the carrying capacity of the country, in the context of its population, is not being reduced because this Government is taking care of the environment in which we all live. Again the record is available.

There is an area which is less tangible but critically important when we are discussing development. That is the concept of social cohesion. What exactly is the harmony of the country that allows us to work together to ensure that the growth and the benefits that we are deriving from the economy either continue or increase? I have to suggest that when we listened to the contribution made by the Senator opposite, there were some serious efforts at inciting a significant breach in that social cohesion. When a Member of this Senate comes here and in terms barely disguised, if disguised at all, talks about murder—those are his words, not mine—attempting to suggest that this Government has engaged in activity that could be so described, and ascribing to its citizenry committing suicide, that kind of language is not accidental.

I say to people that when they come to the table and accuse a sitting government, they are attempting to incite the kind of behaviour in the country which we should all avoid. It is the language that makes each of us, and if we think that there is a separation between those in government and those in opposition on this matter, I suggest that when such language starts and the reaction to such language starts, there is no stop point.

I have had the good fortune to live in countries in which the social order has broken down and it is common for people to pick up guns one against the other in the name of some cause. It goes on for centuries. I suggest to Sen. Mark, and all who are inclined to head in that direction, that they know not what they do. It is a clear thing that we should attempt to avoid.

Today we are in a country in which we can all walk except for the instances of crime against individuals. If we attempt to organize such, in any so-called revolutionary or other way that incites force and the use of such force, we are on dangerous ground. I do not know about the goodly Senator, but I have sons and I usually suggest that old men should not put young boys to fight their wars. I certainly would not like it to come to a state where my sons, as tall as they are, are pitted against anybody else in the name of any dead man's ideology. We have to be careful.

The social cohesion we have dearly bought carries back to when many of us were on the streets in 1970, up to 1979, and otherwise. Some of us had the experience of watching what happened in 1990. I do not know that any distinctions are made between Opposition and Government. It becomes a class thing. We might find ourselves in the wrong hands of the weaponry that adopt the philosophy we urge held. I suggest that we veer very far from that. This country is now inhabited by a group of people as a body of citizenry that rejects such behaviour and therefore we must seek the type of social cohesion that carries us forward, not into the backwater into which many countries fall in the name of ideology.

On the matter of savings and investment, as Sen. King suggested, we may have some work to do. I am sure the arguments made in the budget identify that. There is work to do in terms of ensuring long-term survival as the theme of the budget says—"Ensuring Our Future Survival". There are investments to be made. There is redirection of where the capital is invested. There is an improvement in the quality of capital available for our development that must be put in place. There is a serious question whether that is physical, human or otherwise, but certainly I suggest that the 10-year history of growth that we have built and the directions that we are going should be maintained and accelerated. Sustainable development as a country does not come easy, but we should all be working to ensure our future survival.

That theme, Mr. Vice-President, is quite consistent with the theme selected by the Ministry of Local Government when we went on to discuss, with the rest of the country, a draft policy paper on local government which was to form the basis

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of the local government framework. Incidentally, we must understand that the local government framework is a macro framework that takes into account how each area in the country fits into national development.

The theme we chose was “Forging the way forward for Sustainable Local Governance”. When we selected that theme, we certainly were attempting to ensure the future survival of the country with a focus on the sustainable development of the regions for which the local government bodies have responsibility.

We think that that theme is reflected in the budget in which the Government’s commitment to ensuring that all citizens, regardless of race, colour, creed, class, ethnicity, share equitably in the country’s wealth and participate meaningfully in shaping the strategic direction in terms of its development.

In the discussions on local government, a term gained currency “I Government” was used to mean government that is grounded intimately with the needs and aspirations of the citizens over which governance apply. In the Ministry of Local Government, in this PNM administration, we operate within a framework of policy perspectives and programmes that are shaped by a clear vision, a focused mission and with pertinent objectives. In this context, Vision 2020 and the local government manifesto pledges are key navigational points that guide those strategic directions. It is in that framework that the strategic direction we cast is informed by certain core values that are in sync with the local government environment. We feel that they find easy nestle in the national framework as outlined in this budget.

These core values include a strong community-based participatory democracy, management efficiency and effectiveness, sustainable governance, sustainable local area growth and development, prompt quality service delivery, accountability and transparency, value for money, poverty eradication and a high quality human resource development. We suggest that if all of this rests on an appropriate technology base; if all of this rests on strong respect for law and the promotion of justice, morality and social equity; if we take care of the environmental health and safety, it is possible that we could have strong, sustainable development and growth in our local areas.

We are clear that it is appropriate that these inform the strategic planning framework that must be adopted by each of the 14 municipal corporations. Because we consider this critical, we have moved to establish a planning unit in the Ministry of Local Government that will have the capacity to facilitate local

area and regional planning and development of the municipal corporations. We suggested that a critical part of the activities would revolve around the provision and maintenance of social and physical infrastructure and in particular the following:

- municipal roads and bridges;
- markets and abattoirs;
- recreational facilities;
- cemeteries and cremation facilities;
- public baths and conveniences; and
- appropriate drainage and irrigation.

With these co-elements of social and physical infrastructure, we consider critical to satisfying adequately the transport, communication, recreational, leisure, social, commercial, health and investment needs of the entire population because the entire population lives in one or the other of the 14 local areas.

Mr. Vice-President, a survey has revealed that the most critical need that the population feels in its urban or regional areas is the absence of adequate infrastructure or the presence of poor infrastructure to support the improvements in the quality of life. In that context, therefore, it is quite critical that we devise a system that brings that infrastructure up to mark, as we will measure, given the quality standards we established for each area in our vision.

Local government reform we see as central to the development and delivery of this infrastructure to our people and in this context a decentralization unit has been established in local government, with the intention that the activities that are acknowledged can be better delivered and the solutions available at the face of the problem will, in fact, be transferred to the local government areas.

5.25 p.m.

That reform unit is in place. It constitutes the discussion/consultative stage, as well as the design stage. We have heard some noises about inadequate funding for this year. We want to suggest that we are clear as to what we do in the planning process: project identification, policy formulation and clarification and then we go to legislation and then to the question of the roll out of infrastructure. We are suggesting that having just gone to the country in the last few months in the local government reform process, designing and devising the systems we will use,

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agreeing on the policy and framework which we must go, must be the first steps. When we are clear about that, we will then be in a position to implement the programmes we have agreed upon.

Mr. Vice-President, I heard some people speaking about the local government consultations. For your information, we had four regional consultations. These were held, not under the auspices of the Ministry, but by the Ministry in collaboration with each of the 14 corporations, in four local areas. It did not matter. That is why I come back to the point that we must take where we are and what we have, so that it carries us into the future. We did not ask whether those regional corporations were operated by the PNM or the UNC. We asked whether they were municipal corporations, whether they had leadership, or a capacity to contribute to the reform process. They answered yes, they had a willingness. The result was that we had more than 1,000 persons who participated in the process. The only credit we can take as a government is that we facilitated the process. We are happy to facilitate the process because it is at the root of the decentralization. If we seek to control the process then we would not be true to the conception that we have laid on the street. In being true, we have produced the Green Paper.

The results of the discussion will lead to the production of a White Paper on Local Government Reform, the establishment of a committee to review the existing legislation, the establishment of a committee to review the local government boundaries and the required capacity building and institutional strengthening to carry out the reform process. All of this requires us, of course, to know where we are going and we must know where we are from. What are the assets held by the municipal corporations? We need to identify that. We need to undertake the management performance units which have started and certainly we must be willing to restructure the Ministry of Local Government and the municipal corporations.

Mr. Vice-President, we have the pattern of blaming the Central Government. We want to be clear that a fundamental part of that local government reform is the establishment of property taxation and house rate collection within the regional corporations. In other words, they must take some responsibility for their financing and the programmes they develop. At the Ministry, we take certain responsibilities. As the change agent, we are required to develop a municipal, social and physical infrastructure database with GIS capacity on the present assets and the current and future needs with regard to local infrastructure. We will facilitate the development of the local area and regional development plans. We will facilitate the implementation of those local and regional development plans.

We will develop a system of standards for the infrastructure that informs local area and regional development planning and implementation. Furthermore, we will develop a policy on local infrastructure provision, management, operation and access by users.

Mr. Vice-President, it is also our responsibility, but you know our limitations. We have our limitations with the different commissions. But still, it is our intention to ensure that these municipal corporations are outfitted with the highly-skilled, knowledgeable, well qualified, professional, productive and dedicated customer-oriented workforce. Only if we can put this workforce in place, the plans can be actualized, the quality can be met and the proposals turned into a reality. We are moving post-haste to put this in place.

To ensure that we understand, in terms of local government, this is not a pipe dream, we want to suggest and remind that we have had, in recent times, given to the municipal corporations their own police force. You will see the provisions for it in the budget, inspectors, sergeants, police corporals and constables, well dressed in their police uniforms, assisting in the management of measures to avoid crime infestation in the local government areas, particularly the rural areas.

Mr. Vice-President, we are quite aware that productivity is an issue. When we did our survey, productivity jumped out at us. We are, therefore, addressing that in conjunction with the unions. We are talking about the people who make and execute the change. As we seek this social cohesion, we are bringing the unions with us. The unions have agreed to work with us in these programmes.

As a feature of the improved productivity, it might interest you to know that the establishment of a group health plan, in which we can take care and assist the workers in taking care of their health, is put in place. Therefore, the strengthening of the human resource and the relationship between the human resource of the ministry and corporations and the workers is in place.

When we say we are doing these things, this is a ministry that is following the programmes set down by the Government. More than that, it is a ministry that is attempting to implement the programme of the State in all its regions and reaches.

Last year we had a number of statements about the provision of resources to local government bodies. I would like to share with the Senate how that money was used. You would know that we had a Road Improvement Fund, which was \$23,750,000. The distribution across the different regional corporations reflected the PNM's philosophy that this is for everybody. Unlike previous years, under

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another regime, the allocations would average approximately \$1.5 million, under the Road Improvement Fund, to each of the 14 municipal corporations.

The municipal corporations, just as the Government, had a responsibility to do their priority ranking, to use the responses of members of the public and to ensure that the money provided was in fact being used to fix the streets of the people in the communities they serve. Under that fund, bridges were built across the country; roads were paved across the country and sanitary facilities were built across the country. In all cases, these were done on projects selected by the elected local government representatives.

Another programme was put in place to ensure that we had the infrastructure responses we wanted. In keeping with the Government's vision, an Infrastructure Renewal Development Programme was set up. Under this programme, the local roads, local bridges and local drainage systems were addressed.

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

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. The Hon. J. Yuille-Williams*]

Question put and agreed to.

Sen. The Hon. R. Dumas: I would like to take pleasure in the fact that no one on that side of the Senate had any questions about the way in which contracts were given out under local government. [*Interruption*] No questions. In other words, the Government's policy of transparency [*Interruption*] Are you sure you want me to say it?

We had a number of scurrilous attacks on individuals, companies and enterprises in Trinidad and Tobago, particularly in Tobago. Do you know what was clear? The Opposition was playing games. The Opposition made some accusations and said they wanted an enquiry. The enquiry was given to them. They no longer wanted an enquiry. Therefore, since you asked for it and you no longer wanted it, why give it to you? They came on the street. If it was not so serious it would have been funny. This is a man on the street's response to me—

Sen. Mark: Just a point of clarification. Mr. Vice-President, I do not know if my hon. colleague is a Member of the Cabinet, but we understand that in the post Cabinet press conference today, his leader agreed, he flip-flopped again, to appoint a commission of enquiry. I do not know if he is aware.

Sen. The Hon. R. Dumas: In the best traditions of transparency—you interrupted and tried to play games. They put their leader, poor man; they are going to ride him to death. They put their leader to come and beg again for the enquiry which they rejected earlier, except that now they wanted to hunt down every single person whom they think—draw a paper put the names in a hat and pull and say we want an enquiry into how this person got a contract. *[Interruption]* You say you want it. Once you want it, you will get it. What you ought not to do is to continue to attempt to bring every single citizen, institution and business in this country into disrepute, until you have scared everyone, to ensure that they do your bidding.

5.40 p.m.

The PNM is not afraid. The PNM is going to stand by its effective programmes for the development of this country, and these programmes are going to be executed, regardless of whoever is the casualty. *[Interruption]* I make no reference to Landate. I am making reference to a policy being carried out by the Government of which I am a proud member.

Sen. R. Montano: Do you know the laws of this country?

Sen. The Hon. R. Dumas: Mr. Vice-President, I do not know that I should inform a lawyer about law, and since the Senator has been demonstrating his ignorance of some good manners this afternoon, I will leave him alone. Maybe, I will have to teach him what his profession should have taught him. *[Laughter]* *[Interruption]* I have years of experience teaching people manners.

Mr. Vice-President, in Tobago, they made the mistake of standing in coalition with a government led by the other side. The population in Tobago was punished twice, without any benefit. The population of Tobago, discerning as they are, three years ago, made a decision to work with the People's National Movement which is the only national party in Trinidad and Tobago.

Under the PNM management in the Tobago House of Assembly, and under the PNM management of the Government of Trinidad and Tobago, Tobago can see definite proposals for its development; Tobago can enjoy a specific programme of investment; Tobago is a full partner with respect to the development process in this country; and Tobago can watch the indicators of its development, whether they are investments, employment statistics or whatever measure of growth and development you may want to use.

Since there is the Tobago House of Assembly election next year, we could understand that they will be focusing on a number of things in Tobago. A certain

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party was negatively removed from Tobago and that party is trying to re-establish itself by using all kinds of scurrilous elements. Tobago is very clear.

The PNM continues to constitute the political engine for the development of Trinidad and Tobago. In that context, we are clear that the Tobago population will reward those persons who are attempting to fool them with just and appropriate dues. Tobago will not be the football for anyone who is trying or attempting to take them back to where they came from.

We remember the personal abuse that some of the leadership of Tobago went through under the hands of certain people; we remember the punishment exacted on Tobago when Tobago did not agree with some of their actions; and we remember when the development programmes in Tobago were pushed down to \$13 million; and we remember when those activities—that vengeance—was visited on the island. I am certain that Tobago will not turn back.

The PNM is even-handed. Sometimes we are so blind that we do not see. Land reform is going on in this country. With respect to land reform in Tobago, we are ensuring that those plantations that were held by mostly absentee landowners—persons who were locked out from access to these lands—are being reversed. The evidence is there with respect to the purchase of Courland; with respect to what is happening in Pigeon Point; and with respect to what is happening in Indian Walk and so forth. The first step is acquisition and the second step is redistribution.

Why these people cannot see that what they are doing is locking the people, whom they purport to represent, out of land reform in Trinidad? When the PNM says that Caroni (1975) Limited is a dead industry and that the land will be used for agricultural purposes—if you were working with Caroni (1975) Limited, we will ensure that you have a place to live; if these persons have an interest in agriculture, we will ensure that they have a piece of land to practise agriculture on. That is land reform. That is something that generations of colonial people across the world have worked for. This is being exercised in Trinidad and Tobago under the PNM government.

Instead of looking and seeing how this could be to the advantage of the population of Caroni (1975) Limited, they are talking stupidity about murder, et cetera. They are not real. The reality is that in the combination of land and the distribution of more than \$3 billion in Caroni (1975) Limited, there is going to be transformation. But, you see, they want to lock out those persons for voting purposes; they want to continue to threaten the rest of the nation with them; and they want to suggest that out of this there will be a racial war, and young Indian persons will take up their battle and come to town.

Young persons in this country shall not fight the wars of old people. That is a dead philosophy; dead ideology; and a dead programme. The young persons in this country know better; they will work towards the development of Trinidad and Tobago; and they will participate in the development of this nation.

We have a review that tells us where we are with respect to our economy; and we have a programme for development. I want to suggest that as we move forward, they should join the people and the activities that are taking place, under the management of the PNM.

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

Sen. Roy Augustus: Mr. Vice-President, thank you very much. I was taken back there because I thought someone else was coming from the other side. That is the information that I had. But I am always ready. That is all.

Mr. Vice-President, I want to take off a bit from where my colleague ended. You know, teachers are always teachers. I want to suggest that in too many parts of his contribution, he was actually doing what he was accusing my leader of doing. The Senator, to me, was using language that could be considered inciting. I really hope that we can move away from that kind of language.

I know that the persons who deliberately defend the Caroni (1975) Limited population could take care of themselves. When I hear my friend talking in that way, I remember a Member of that very party, advising us as to what Laventille people could do, if we go down there. I remember that very clearly—the same person involved in Landate. We have to be careful that we do not perpetrate this kind of thing. On that side, when I hear that what they are doing is land development and land reform—and it is probably being suggested here with respect to Caroni (1975) Limited.

Mr. Vice-President, let me tell you how I wanted to start my contribution. I wanted to start my contribution by saying that all these billions of dollars that were regurgitated here last week—and then for the next few days here we are going to be hearing about how many billions of dollars will be coming in and how many billions of dollars will be spent—I hope that some of that money will be saved for some future times.

As a little black boy from Laventille, what does that mean to me? I want to be careful because I do not want to be accused of racism. Let me explain what I mean, when I say, “little black boy” from Laventille.

In the 1960s and 1970s, a group of us used to talk about being from East Dry River in Laventille. We considered that once you were east of the bridge—that is

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St. Paul Street or Basillon Street—you were in East Dry River. When we journeyed out into the countryside to play football or cricket, we realized that the conditions under which we lived also existed in other areas. So, now, when we talk about East Dry River, we do not only mean East Dry River geographically, but we mean people who live under the same kind of conditions like us.

From then on, when we spoke of “little black boys”, we spoke about all the little people who have experienced disadvantageous situations in all little nooks and crannies in the country—whether they are Indians or Africans or whatever. So, when I say “little black boy” that is what I am talking about. I used Laventille because there is where I am from.

I want to indicate that I do not want anyone to fault me for speaking about Laventille, because there is where I come from; there is where my experience is. That is why I do not fault people when they speak about Tobago. That is their experience, and that is why I will never fault anyone when they speak about Caroni (1975) Limited, or even their East Indian community. That is their experience. Once we understand that we will all have experiences—whether ethnic, geographical, social or cultural—we must try to understand each other; and we will have a long way to go.

So, I am asking my colleague who just spoke: What land reform or land development is there for the people of Laventille? What are you going to do for us there? Remember, you are accusing a group of persons for trying to throttle people to make them their own cluster of voters. That is why, you claimed that they do not want them to enjoy land reform. Are you deliberately not introducing land reform in Laventille because you want to continue keeping Laventille in that kind of situation? [*Desk thumping*] Are you telling me that? I have read these documents year after year. I still live there. I may sleep in San Juan, but I live in Laventille. What is here is not there.

5.55 p.m.

Mr. Vice-President, what is in these documents is not the reality in Laventille. The reality in Laventille is a mosque being called a community centre. The reality in Laventille is the fact that people are dying each day, more than anywhere else. The young people are killing each other, more than anywhere else; that is the reality. What do these documents do about that? What is being done in there? Who is inside there ensuring that the young ones are taught a particular way of life? I am not talking about the community leaders that people are cultivating.

That group across there always say that they are a way of life. What is the correct way of life?

I was glad when the Minister of Finance indicated that this was supposed to be a social map, economy and so on, so I can spend some time on this whole question of the social disadvantages that are experienced, and continue to be experienced, by people from the East Dry River area. I am speaking broadly.

When we are talking about doing work in Laventille, tell me what is specific, what is special. I am not touching education yet; I will get there. Do we look at the schools in the area and design a programme specifically for that area, given all that they experience; given all that they do not have; given all that they see outside that they do not have? Do we design a selection system, a selection process, where teachers of a particular kind can be taken to work in those schools, rather than say, “Okay, we have 500 people applying, we choose 200; 50 go here and 60 go there.”? If you tell me that you are working on the development of Laventille, tell me you are doing that. I have no evidence that is happening.

When the people of Laventille hear about all these billions being spent, they ask, “Where is mine?” Is it any wonder you have some of the problems that exist, when they see others having so much and they are having next to nothing? They ask that. When you are designing your social map, you have to take into consideration housing and health. It is said that one of the greatest problems that will affect health is not having running water. I remember that the previous Government talked about “water for all”; that was a mantra—“water for all”. There is still not water in a lot of areas in Laventille. Believe it or not, this country still has night soil workers. Imagine that in 2004, this country, that somebody boasted as being a model for other countries, still has night soil workers; particularly in Laventille. What are these billions doing for us?

I should have indicated that this little black boy attended Fatima College from January 1956. The significance of that date is that it was prior to September 1956. I remember clearly quite a few of us leaving that area and cycling to Fatima and Queen’s Royal College (QRC). The St. Mary’s boys walked. There were girls going to Bishop’s High School. We went to school at Bethlehem, Nelson Street, Piccadilly and Eastern. Why do we not have that large number of people going to those prestige schools now? When did the decline start and under which regime? I am not only looking at two years or five years ago.

You want to talk development—I am happy if you are developing now, because it was you who destroyed it in the first place. There were some strong

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women then. When I was growing up or even when I was a teenager, I never heard people complaining about the fact that they were single working mothers. There were even single non-working mothers; they never complained; they worked. They had an attitude to work that came down from the 1940s and 1950s and was destroyed in the 1960s and 1970s. [*Desk thumping*] [*Crosstalk*]

I do not know what the lady behind said, but I am not talking gender here; I am talking about a particular thing. I am talking about single mothers who understood their responsibility and did it. I am not for one moment saying that fathers should deposit their seeds and leave; I will never agree to that, but it having happened, those strong women did what they had to do, because their spirit was not broken as yet. They had not been faced with fetching water in the Special Works Programme and the make-work programmes that were introduced under the regime which was there from 1956 onwards. What is this doing, [*Sen. Augustus holds book in the air*] to bring them back to where they were, to the strength they enjoyed, to bring them back to being a strong, proud people?

I saw in the budget statement that the Minister of Finance indicated that there would be some new organization, “Office for Disaster” and so on. I like that. I will tell you what I like; the only problem is that I am not sure that things will happen.

I have been doing a bit of work in Grenada. I felt proud when I saw 2TTR6 coming down the road or a patrol of uniformed people with the Trinidad and Tobago flag. While the “limers”, idlers, or what have you, may not have too much respect for some of the other bodies in there; whenever they see a patrol with that little red flag, they know they have to behave. I feel proud about the discipline of our boys there. When I saw those yellow trucks—I never believed that T&TEC could work so hard. As far as Grenada is concerned, T&TEC is the hardest working body in the world. [*Desk thumping*] I saw it myself. Just before I left there the last time, a couple of days ago, I saw the other group come up and they have also started to work hard, joined by some other people from Grenada.

But there was a tinge of sadness in my happiness. [*Crosstalk*] They can work; all of us can work. Why do we not produce as much here, as we are now producing over there? Who has created the kind of environment where one feels he can work a little and get plenty pay, while in Trinidad? Which regime has been in power for almost 40 years? It takes a long time to get that kind of psyche. I said earlier that we had hard workers and then we got soft. It takes a period of time to take the hardworking mettle out of people and bring them into being non-performers, not because they cannot work, but because authorities allow them to get away with it. Who is responsible for that?

When we get these lovely looking books, with all these billions of dollars being spent here, there and everywhere, how does that affect the kind of development of the human capital that we are talking about? You are going to tell me the schools; I will get there just now. You will probably tell me about all the programmes you have.

There is something called an “acronym”. Whenever I go to Toco, I have a brother who tells me, “Yuh know, dey used to pay engineers by the corner, so that is the only reason they can have so many corners on the road to Toco.” I want to believe that there is a public relations person working overtime and getting paid by the acronym: MEL, YTEPP, MuST, CEPEP, YAPA, GAPP, HYPE, OJT, CCC, TDC, URP, STEP, SHARE, PMAP, MAPIPIRE, MILAT, MYPART. [*Laughter*] I mean, if you have five and next year you have to have seven, and the following year you have to have 10, “it eh mean dat it eh working?” It must mean “de ting not working”. Sit back down and review the thing.

These public relations gimmicks, these nice sounding names, when you put them by themselves they sound nice. Are they giving the desired result? We have to look at that. If this is to assist in the social development and enhancement of human capital, particularly for those who left school, are you satisfied that it is working? If it is not working, let us try something else. [*Crosstalk*] I do not know that you will want to reduce the number, just like that. If you reduce the number, you do something else.

I have known my colleague for a long time and I sit here and sometimes I hear his remarks, and I tell myself that the PNM will spoil anything. [*Laughter*] He was a good boy; we worked together in 1979, 1980, 1981 and so on. Now, I hear some remarks coming from my good friend and I wonder.

I heard my colleague, Sen. Mark, my leader in the Senate, mention the word “murder”, which was taken up by my friend. [*Interruption*] I thought Sen. Mark was talking about the murder of Gailene Bonadie; maybe I did not hear too well the particular part he talked about, but that is where I want to go. Yes, we have a lot of crime in the country; yes, it seems to be overbearing and yes, sometimes we could feel we are overwhelmed. More and more, I am hearing, seemingly responsible citizens indicating that we should go back to the old days of the Flying Squad.

6.10 p.m.

In fact, there are people who say that there is a death squad operating in the police service. I hope when the Minister of National Security comes to speak, or whoever speaks on his behalf, he will deny deliberately, loudly and confidently,

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the existence of a death squad in the police service. If they do not, then I would feel—I do not know about anybody else—that one exists. There seems to be some evidence outside there—not confirmed evidence—but when you see some of the happenings, you wonder, especially those of us who grew up under the Flying Squad days; some of us who live in Laventille and who know when the “Black Maria” is coming, what to do.

Are we going back there? My first point is that nobody has the right to take a life. There is no legal way of taking a life! Because you have the authority you are going to wipe out young boys? They are already wiping out themselves. Is the Government allowing this? I hope not. I want to advise, when you wipe some out, more would come. So you would have to wipe out more. It is a short-cut and, in the meantime, while we are trying to wipe out some, innocent ones are going in the brew.

I fear for Carenage. Whoever is responsible, please ensure that we do not have that kind of squad operating in this country. Let us suppose they could do the impossible and they wipe out all, who will they wipe out next? There is an old saying: “When a dog learns to suck eggs, he will have to continue sucking eggs.”

I remember talking to Brigadier General Ralph Brown in a very casual, social arrangement a couple of years after 1990. We were in a conversation and somebody asked him: “Boy, why yuh didn’t wipe out dem boys when they was going down the road?” His response was: “First of all, nobody raised that question to me and, secondly, if they had, I would not have converted my soldiers into murderers.” I hope nobody on that side is today converting policemen into murders.

Sen. Dumas: If you do not control them, how could you convert them?

Sen. R. Augustus: There he goes again.

Sen. Dumas: You refuse to give us control of them.

Sen. R. Augustus: If you do not know how your Government in your country operates, then tell me so. So you are saying that the Bill was to give you control over the police?

Sen. R. Montano: That is what we objected to.

Sen. R. Augustus: What I hear my learned friend saying is that they wanted to control the police, and I am saying we do not want you to control the police; we want the police to be properly managed. That is what we are saying.

You see, you people over there, when your leader comes up with some wild idea, “all yuh does” just follow it down the line, you know. “All yuh doh even think little bit”; just follow it down the line. Because, you know, I was in another gathering and I was talking about the same police and what could be done and so on, and the Chairman of your party said: “Well, you cannot do it piecemeal, you know. We want change. We have to change the whole thing and have a new management authority.” My response was: “If we have to change the whole thing then let us change the Constitution. Let us address Constitution reform in total. Do not change the police service and then you come and change some other service.”

Coming back to my point, if there is anybody on that side who is giving free rein to the police service to have a death squad operating, stop it and stop it now. It is illegal; it is even more criminal, because we are supposed to be leaders, and as leaders we have to go it the hard way sometimes, not the shortcuts. I want to tell you something. I keep looking at all these police and criminal conflicts and I am not seeing where there is any serious investigation. All I am hearing is: “An enquiry would be set up.”

Sometimes, even without the authority of anybody saying so, a policeman will misbehave. The thing to do is to deal with him or her.

Sen. Dumas: How?

Sen. R. Augustus: If you cannot deal with your people, then you have no right there. We do not want to give you control. You cannot manage without control? I have to bring you back over on my side for a little while so we could spend some time in teaching again. He used to manage his class without controlling it, because he used to give them a little freedom to talk, and so on. But the boy has lost his way.

I am saying that when these people step out of bounds, they must be dealt with, because it is only then the police would enjoy the confidence of the public at large. If they do not have the confidence of the public at large, they would not be able to perform. Therefore, I am saying it is the Government's duty; it is the Government's right, to ensure that the systems are put in place and the people be allowed to manage the service well and to deal—those who ever have to deal with it—with those miscreants. That is all I am saying. If you do not know what to do, move and let us come and do it, because we know what to do.

Sen. Dumas: You abandoned them the last time, man.

Sen. R. Augustus: Abandoned? Now look at where you are going. I will not go back to your good leader who is preaching secession now, who wants to be president of Tobago. I would not go there at all.

So, Mr. Vice-President, the other thing is the prison. We have to address the prison. We have to ensure that the prison as it is must not be allowed to continue because we are breeding criminals in there. When you send 18—19-year-olds who have been held with a few sticks of marijuana—and probably that is all they ever did, especially those 14- and 15-year-olds in school, where the law now says, as soon as you hold them with a half ounce of marijuana it is considered trafficking and they could “make jail”—when you put them in there, you are allowing criminals to be bred; not only criminals, but lawyers, because some of the best lawyers are in prison; they plan all their cases in prison. This is what we are allowing.

I understand now we want to make it a little easy for them, some conjugal rights, and so on. Some people may want to go to prison to enjoy some conjugal rights. That brings me to another point. While I was in Grenada and I saw all those soldiers there, I wondered whether my colleague would offer conjugal rights for them across there too, because they are already sweltering over there. I also sweltered, but I am of the age now where it is not very important. [*Laughter*]

So, Mr. Vice-President, when we are spending all this money I want to ensure—you see, all I am talking about here is Laventille, you know, because the people the police are killing are little black boys in Laventille, you know. More than 90 per cent of the people in prison are little black boys, you know. So all I am talking here about are those people, who the Laventille people “does” vote for, what are they doing to relieve the plight of those people from Laventille? What are they doing to ensure that the cycle does not continue? I want to hear what they are doing. Please, I am only asking for answers to the questions that I am asking.

I said that security, and so on, is very important. I think education is also extremely important. I want to tell you, I like some of the things I hear coming out from the Ministry of Education—very honest. I have been hearing about early childhood care and education; the pre-school thing; I am hearing about the student support services unit or division—the name alternating all the time—I am hearing about de-shifting; I am hearing about decentralization; I am hearing about curriculum development. I have been hearing about it for a long, long time, even in my two stints: 1986—1991 and 1995—2001.

PROCEDURAL MOTION

The Minister of Community Development, Culture and Gender Affairs (Sen. The Hon. Joan Yuille-Williams): Mr. Vice-President, in accordance with Standing Order 9(8), I beg to move that the Senate continue to sit until 9.00 p.m.

Question put and agreed to.

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Sen. R. Augustus: So I am saying that we have to look at all these things. Let us take the SSSD. You read the document; you read the background information; you look at the history of the unit, starting from, I think, 1993 coming up; you are looking at all the plans that are there, and then in 2004 you feel happy the thing has started, only to realize that while we are starting it, we have not put everything in place. Some teachers do not know what their new salary is; some people have gone back to their schools because it would have meant a loss in take-home income or disposable income, because they have to be travelling now from school to school and no allowance had been made at the time for it.

In a lot of instances there is no office space for the various units. This is what always worries me with governments. We take a good thing and we spoil it, because they are now working under strain. I am saying we had enough time to plan for it properly. We still have time to ensure that it is done properly, because that unit can help to assist the teachers in the schools where there are problems; where there are problem children; where there are problem communities.

So I hope that all the necessary infrastructure in terms of office space, and so on, is put in place, and I am sure the Minister of Education in her reply will tell me that it has been done since I last spoke to people—I am sure.

The question of the people's payments, we have to also look at, to ensure that—I mean, while it is good to say that as a teacher you must make the sacrifice, we must pay people because you cannot carry that sacrifice into the grocery. So we must pay people for their services and we must establish the posts properly so that people would feel secure, and people must know whether they can now move from there, back into promotional opportunities, because that has not also been cleared up. So there are a number of things that we must look at.

Another thing I must talk about—and I have raised it here; I have raised it elsewhere and I will raise it again—is when are we going to complete the unification of the teaching service so that supervisors could be paid? I saw where

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last week in the newspapers a body of school supervisors met and they have said they would work to rule, whatever that means. I do not know what working to rule means, as a supervisor. Maybe they would not carry letters.

They are arguing that people are still being promoted to a lesser salary, all because the teaching service, through TTUTA, and during the period 1995—2000, went to a pretty decent salary just six months after I left, and the supervisors, under PSA, remained where they were.

6.25 p.m.

I understand that allowances are added to the salary. In some instances these allowances have not carried the supervisors' pay to the principals' pay, so they are still below. At one time the allowances were not included in the computation for pension, but in November/December last year Cabinet agreed—I hope that I am right—that these allowances should now become pensionable, until things are put in place in the correct way. There are still supervisors who have gone home and have not received their pension and gratuity based on a computation that would have included their salaries plus their allowances.

This reminds me of a certain thing. Poor people in this country do not have a chance. Sometimes you want to speak to people in authority and they do not take you on. Sometime in July or August a supervisor who is at home called me. He said, "Let me get my money before the cut-off point before you all go in the House and start to talk and I have to wait." Just the week before, after a Joint Select Committee Meeting, I had lunch with the people from the Teaching Service Commission and the Permanent Secretary. I thought that as a Senator and after having lunch with these people last week, let me call the Permanent Secretary and say to her that someone had something on her desk, help them out.

I called on four successive days. On each occasion the Permanent Secretary said, "I will call him back." For those of you who know me I have about 10 office numbers and one home number; I left all. At one stage, I told the person what I wanted and to let me talk to the Permanent Secretary so that she will speed up things. It is a senator she spoke to last week. I do not boast that I am a Senator because I do not like those trappings. On the last occasion the person left me holding on. I was doing my work at my desk so I held on for spite. When the person came back you could have heard the audible gasp that the person did not expect me to be there. I said, "I am still here." She came back and said, "The lady said that she will call you." I have not received the call as yet. I called the gentleman and said, sorry, but I could not help.

Why would a permanent secretary refuse to respond to a Senator? I have already indicated my lack of interest in those things, so I do not think that she felt I was coming with any kind of amorous intentions. I did leave the point that I wanted to discuss with her. If a former minister, short as the tenure might have been; a current Senator; a former principal and a teacher for 40 years tried to speak to a Permanent Secretary in the Ministry of Education and she refused, you could imagine a little black boy from Laventille? Who will talk to him or her? Understand it! That kills us sometimes.

We have to look at our supervisors and make them happy. One of the ways of making people happy is with proper money in their pockets. While I was there I know that the drafting of legislation had already started. I am sure that by now the drafting is completed. Bring it to Parliament “quick, quick, quick”. I am sure that I will get Sen. Wade Mark to talk for only 15 minutes on that particular piece of legislation so that it would be passed quickly and the supervisors will be carried to their correct salary.

Sen. Manning: Could I say that it is on the legislative agenda for this session, so you will get your chance to talk some more.

Sen. R. Augustus: I know that it is on the legislative agenda. It does not mean that it will get here. When it gets here I would certainly support it 115 per cent. That is the 15 I will ask Sen. Mark to give.

How do we treat with that? Have we expanded in terms of the number of posts? I am uncomfortable with this one because I am not sure what has happened in the last couple of months. I have always argued that there are not enough school supervisors in the system that would allow them to treat with school supervision which means directing and guiding the education process in the schools. That is going in and evaluating for the purpose of improving the teachers’ and principals’ performances. For those who are young and inexperienced, help them to develop their vision and strategic plans for their schools. That is supervision.

I want to make a case for supervisors. I have heard in another quarter—Let me not say it because it might not be. Somebody in authority claimed that supervisors are not working. I know many supervisors who work hard, hard, hard. There will always be one or two who slip through the knot. I see some people who were made supervisors and I wonder how they got there. They give the bad name to the body of people. Most of these supervisors have improved themselves. There is an organization called APETT. We cannot accuse them of not working. They are out

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in the schools, fighting, doing their seminars and working. Let us pay and encourage them.

Something worries me. I saw one word in the budget, “inspectorate”. I did not see much explanation for it. Somebody please tell me what will be expected of this inspectorate that the supervisory staff do not already have within their terms of reference. Inspector to me harks back to tall socks, short khaki pants and cork hat and when he walks in, the whole school, from principal down worried. Inspector sounds to me like licks in school which I am happy that we do not have. I want somebody to disabuse my mind of those negatives. Convince me that this “inspectorate” thing is a forward step and an advance that would help the supervision and evaluation of the processes that will be taking place in the education system. I look forward longingly to hearing about that “inspectorate”. I want to know how that “inspectorate” will line up in terms of classification vis-a-vis supervisors. Will he be the chief inspector or commissioner of police?

When are we going to de-shift? One school, two schools, three schools. I am happy that the lot of the de-shifting falls on that body because that body introduced it in the first place. That is one thing that has created the collapse in education; half day you go to school and half day you spend home. It is incumbent on them to fix the thing. They are taking their time with all the money that we have. I remember between 1986 and 1991, with no money, we de-shifted a couple schools. Now there is plenty money! Three schools de-shifted. That junior secondary, half day in the morning and half day in the afternoon and principal does not know in which school he is interested; the morning shift or the afternoon shift and he is getting problems from two vice principals. Those things we must correct. We have the money to do it now!

I was told here, that there is a big shot “fella” who knows about planning; understands the thing and could do projects well. When I heard that earlier this year I said that by December, some projects would be on stream. Like he is a designer. Every time I see a building to be put up, I see designs completed. In 2002, we were told that we will have 40 new early Childhood Care Education Centres. In 2003, we were told that we would have 32 new early childhood centres. When will these schools be put in place? I know that you are enjoying using those that have been put down during 1995—2001. I know that you refurbished some of them. We are thankful for that. When will you use the money and the services of that highly-paid project manager to deliver the goods? When?

I want to make sure that we start in Laventille. I am making no bones about that. I am talking about Laventille today.

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

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

Question put and agreed to.

Sen. R. Augustus: Mr. Vice-President, I never know what that gentleman is saying. The gentleman who said, "Eat cassava"? Conrad could tell me anything, within limit.

I am saying that you must start there. They need pre-school education more than anybody else. When I say Laventille and "lil" black boy, I am not only talking about that geographical area. There are many other areas like the Congo in Arima and Waterhole in the north with that kind of thing. You have parents, not parents, but they have mothered children and 17-year-olds who have fathered children. It is necessary that they be exposed to that kind of social experience; exposed to the good and the value systems which they are not getting at home. Start in those other areas. Other areas are well taken care of. Every day we spend not building those schools and just designing, we are designing criminals. There are more and more people who are leaving the system. They are not properly trained! Let us get it fast. Let us get it done fast.

I have spoken about supervisors and the special unit. I feel for that one. I hope that I could come next time and say thank you, Madam Minister. That School Support Services Unit, let us get it going fast.

The question of decentralization, dividing our country into districts so that we can manage them properly. You have enough qualified people at the head to produce the services that you want. We have the money now. Let us buy existing buildings or put down buildings. Do not let Emile Elias get those contracts, too! Let some poor people get the contracts to do it. There are some small contractors around from Laventille too, who can do some of those things; give them some of the work that is sharing up there.

I wanted to share some of my concerns with the Senate and let you know that I continue to feel that this windfall that we have now is not getting down to the areas where it should get. I hope that the message is received and I can see some kind of visible response to my pleas.

Thank you.

6.40 p.m.

Sen. Basharat Ali: Mr. Vice-President, I am very pleased to be able to make a contribution to the debate on the Appropriation Bill, 2005. I propose to speak mainly on what has been identified in the budget as the first main pillar of the outlined economic strategy namely; maximizing returns from the energy sector through:

1. increased participation in the value chain;
2. raising Government's tax take consistent with promotion of a high level of investment in the sector.

Mr. Vice-President, in general I agree with the elements of the policy outlined for the sector by the hon. Prime Minister and Minister of Finance as:

1. attraction of foreign investment in exploration;
2. the increase of value added from natural gas production;
3. the increase in revenue through a new tax regime.

Both the strategy and the policy have been developed further by the hon. Minister of Energy and Energy Industries in his contribution to the debate in the other place but very late in the proceedings, which did not give me much time to research some of the points raised by him.

I must commend him for a very comprehensive contribution, which took up the whole of his allotted 75 minutes. A fair part of it was very technical and perhaps outside the realm of understanding for non-geologists into which category I fall. I do hope that at least three of his ministerial colleagues in the House were able to appreciate that part of his contribution.

Mr. Vice-President, very early in his contribution he gave us the natural gas reserves picture which was reported in the *Newsday*, dated Tuesday, October 19, 2004 and by coincidence at the bottom of page 5 of the *Newsday* there was an NGC advertisement in their series "Natural Gas Made Simple" which also gave reserves but as January 01, 2003. Allow me, Mr. Vice-President, to give the comparative figures in two columns, NGC and Minister of Energy. All figures are listed in trillions of cubic foot:

	NGC	Minister	
Proven	20.8	18.8	2.0 higher for NGC

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Probable	8.3	5.9	2.4 higher for NGC
Possible	6.1	8.6	minus 2.5 for Minister

So NGC in this newspaper report gives a total figure of 35.2 as against the Minister's report 33.3 trillion cubic feet.

I first thought that the difference, the 1.9 tcf in proven reserves represented depletion, due to production during the period January 01, 2003 to September 30, 2004—that is 21 months. But I do not have an explanation for the differences in the probable and possible categories. There may have been another reserves study, which I do not recall. But I would like an explanation, particularly, since gas reserves are always a controversial issue in the Senate.

Mr. Vice-President, let me move on to projects, which are in the pipeline, so to speak; first, LNG. I note that Train 4 is well into its construction phase and notwithstanding the unfortunate interruption should be in service for the first quarter of 2006. I also note from the Minister's contribution and I quote:

“Most of the agreements are in place.”

So what agreements are not in place? This is important since a state enterprise, the National Gas Company, is an equity partner—11 per cent—in Atlantic LNG, and by the end of fiscal 2005 would have invested \$508 million in that project. So I ask again: What agreements are not yet in place?

I note further that the Minister said another 800 million standard cubic feet per day expansion is under consideration.

Mr. Vice-President, I am a firm believer in diversification of our natural gas industry. I do hope before any further commitment to LNG is made, we will look at the other options for our gas usage, in the light of our limited reserves situation. In this context, may I ask: What about the natural gas master plan? Is it still a work in progress?

The second item I will speak on is the refinery upgrade. Lest I forget, Mr. Vice-President, let me commend the Minister in the Ministry of Finance, Hon. Conrad Enill for the inclusion in the PSIP document, the investment programmes of the state enterprises at Appendix VIII.

The major part of the refinery upgrade, which is scheduled for years 2004—2007, is aimed at gasoline optimization at a cost of some US \$320 million—TT \$2.02 billion. Although the Minister of Energy and Energy Industries had a positive spin to the project, he said:

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“There was an incremental revenue stream of US \$69.7 million a year.”

I am of the view that this is in fact a refinery survival project, perhaps in keeping with the theme in the preamble of the budget speech “Ensuring Our Future Survival.”

Mr. Vice-President, I say that in light of the fact that the present gasoline quality is marginal for the requirements for both our local and regional markets and do not meet specifications for the US market. Building octane number of our gasoline pool is a necessity and the reduction of benzene—a very good octane improver normally—is a must for wider trading of our motor gasoline.

I believe that Petrotrin’s automotive diesel is also a marginal product for both cetane number, which is performance measure, and for sulphur content, which is pollution related. When I heard in the budget speech about synergies with the gas-to-liquids facility to produce a high quality, clean burning and environmentally friendly diesel fuel, I was pleased.

Last year almost to this day I brought to the attention of this Senate the announcement by the Shell Group of a GTL facility in Qatar aimed at high quality transportation fuels. Alas, my pleasure was short-lived when I read in the transcript of the Minister of Energy and Energy Industries’ contribution about a feasibility study to establish a small GTL plant in the refinery. I quote:

“It is expected that this project will utilize a mothballed methanol plant which will be relocated here and reconfigured to produce GTL from Petrotrin’s natural gas streams.”

Mr. Vice-President, the obvious questions arise: Is this proven technology to be used or, are we being guinea pigs? What is the age and state of this mothballed plant? Who is the owner of this plant?

Mr. Vice-President, my experience is that adapted or reconfigured, used facilities usually cost more than new plants in the long run. Contrary to the view of the hon. Minister of Energy and Energy Industries there is a very marginal benefit in reduction of fuel oil by the modifications to the 50-year old fluid catalytic cracker. I surmise that the revamp would be primarily aimed at improving efficiency.

Mr. Vice-President, in fact, I stand to be corrected that some of the proposed modifications to that unit are items left back from the earlier US \$360 million-plus upgrade, the objectives of which were not achieved. Last year, I asked for a technical audit of the refinery upgrade; I doubt it was ever done.

Mr. Vice-President, from the Ministry of Energy and Energy Industries' monthly bulletin, it is suggested that up to June 2004, which is the last online bulletin, the refinery was being operated at 140,000 barrels per day. That is, by my estimate, about 50 per cent of crude oil that would have been imported.

The fuel oil production from these statistics was of the order of 40 per cent of crude processed. For long-term survival of the refinery, it is essential to reduce the fuel yield to improve the refinery gross margin. I believe that there needs to be developed a strategic plan for the refinery to take into account all the techno economic and social factors that come into play in running a refinery, which is partly dependent on imported crude oil. Perhaps such a plan is already there but if so, it is not in the public domain.

The third item I have here is ethane cracker and polyethylene complex. The budget speech had a one-liner on this project and not much more in the Minister's contribution. The *Guardian* newspaper dated Monday, October 18, 2004, on page 24 carried an article headlined "NGC negotiating for ethylene cracker," which gave a capacity of 800,000 to 1 million tonnes per year with two or three partners and with NGC probably taking an equity stake, if necessary, to advance the project. It did give also a possible date as at the end of the year, if we are lucky, to get the project agreement. That is not official, that is from the NGC.

Mr. Vice-President, we have been waiting a long time to achieve the critical mass of ethane feedstock, which will be comfortably met with Train 4. Why are we so low-keyed over the project, which could bring real added value to our resource?

The other project being touted is Syngas/Polypropylene project. There seems to be a lot of enthusiasm by the powers that be for this project. Let me put this into perspective. The proven technology to date is to process natural gas to synthetic gas to methanol. The entity for promoting methanol to propylene is the technology supplier for the Atlas Methanol plant, which is 5,000 tonnes per day, 1.7 million tonnes per annum, which is Lurgi from Germany. This process is called: Lurgi Mega Methanol Process.

6.55 p.m.

I do not think there is very much benefit in this project which speaks about producing synthetic gas in large amounts to save money. At 5,000 tonnes per day in processing, it is already the limit at this particular stage. Lurgi who are the process suppliers for the methanol technology are promoting their methanol to propylene process (MTP) as it is called and has been touted to be the "most

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economic solution to produce on purpose propylene". Lurgi claims to have successfully proven its process in a demonstration plant at Statoil's Tjeldbergodden Plant in Norway. I am not aware whether any commercial plant has been ordered.

We cannot discount this route to propylene, but let us await a fully commercialized plant and not be sponsors of unproven technology at the level of commerciality.

I would like to give the thumbs up to C.L. Financial ammonia, urea, and melamine project. The melamine part of this project, as I understand it is very small but it is a step in the right direction, melamine being a base for the production of plastics and so forth. I am optimistic about the ANSA/MCAL promotion of ammonia, urea, urea ammonium nitrate (UAN). I do not have the scope of this project, the proposed size, final product mix, the grade of solutions, technology, proposed markets, but as is the case with ammonia and urea, UAN can be a good prospect for the United States market where UAN pipeline systems are in place.

Before leaving these projects which I characterize as value added projects based on our resources, I would like to seek clarification on an establishment dilemma by posing a question: What are the respective roles of NEC and NGC in the down-stream development of natural gas?

I was an executive of NEC from 1980 to 1990 and a director of NGC from 1975 to 1987. I am now a pensioner of NEC/NGC fund, as it is called. NEC started its life as the proposed holding company of the State's interest in the energy sector. Suffice to say, that role never materialized and by 1992 NEC became a subsidiary of NGC instead of being the parent. NEC now seems to be in the limelight again as regards project development. There must be much uncertainty with respect to NGC staff and to its relationship with its supposed subsidiary. I believe this matter requires urgent attention, if only for the sake of employee relations and morale of the people at NGC.

I turn to the subject of local content in the energy sector. The hon. Minister's contribution in the other place did put a very positive spin to development in this, but went on further to outline that some foreign entities do not fully subscribe to the development of local personnel during project implementation and they basically pay lip service to this process.

I have had personal experience from over 20 years ago where even in joint ventures when Government had a proverbial 51 per cent, it was a big hurdle. It took great efforts to get acceptance that qualified engineers, and trainee engineers

had a meaningful part to play in the design and construction management phase of projects.

I remember one project where advertisements were even placed for nationals who wished to relocate from North America and, in fact, a joint TT and foreign partner team interviewed persons from the USA and Canada in Chicago. In the long run, we found well-qualified engineers here in Trinidad. Some of the foreign technical people were astonished by the quality and knowledge-base of the interviewees. I had to tell them, "I told you so". Even so, one local project team found itself sidelined in Houston at the contractor's office and were unhappy about its situation. I was approached by a couple of the engineers and although I was not attached to that project at that time, I was able to report to the then chairman, Professor Julien, what the problem was. He personally intervened, flew to Houston and Chicago and solved that problem. Engineering personnel from that project team now head or are senior executives of a number of gas-based facilities and some of them have been able to make significant contributions. I pay tribute to all our local technical resource that have shown that they have design engineering management and marketing capabilities.

Some of you may be aware that C.L. Financial which is a joint-venture partner in a methanol project in Oman will have the local entity Industrial Plant Services Limited (IPSL) as project managers and operators of that facility, an example of export of our technical service all the way to the Middle East. But the development of local content is not only problematical in this sector. The Ministry of Works and Transport, has in its development project, a budget item under Head 43, G147 computerization of the records of the transport division for which an allocation of \$800,000 has been made. This evidently is a project, which the Ministry chose to develop through the United Nations Development Programme (UNDP) technical assistance.

I was alerted to this project through a letter from Dr. St. Clair King in at least one newspaper. Subsequently, I saw the Request for Proposals under the aegis of the UNDP and I had taken a note for reference for this budget debate. I was pleased to sight a *Newsday* Letter of October 15, 2004 by Dr. St. Clair King. Mr. Vice-President, permit me to read this letter into the record:

"Let's Build our own software industry

The Editor:

Subsequent to my published letter on the proposed computerized system for the licensing division of the Ministry of Transport to encourage the

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development of the local software industry, I saw its request for proposals under a tender by the Ministry of Transport in ‘collaboration’ with the UNDP.

What is also noticeable is that the administration of this tender is not to be under the Central Tenders Board but the UNDP. Be that as it may, bearing in mind that government procurement is an important instrument in the development of local innovation.

What though is of concern is that applications are invited from suitable organizations and the implication is that this is an international tender; to design, develop and implement an automated system in accordance with international standards.

The local development companies are dead in the water except those that choose to chaperone an imported solution of a large foreign software house.

Let us not fool ourselves, this is the norm and local developers do not stand a chance since the assessment sheets will show that none of us have a track record in the particular area nor the financial backing. If the UNDP is arranging a grant for the supply of this system on condition that it is an international tender then, given the amount of money we have just frozen in the energy stabilization fund, we should say “thanks but no thanks”. Development is about local investment in your own.

We have a larger objective and that is to build a software industry and not simply supply a licensing system. The latter is one of the means of accomplishing the former. Let me point to an interesting methodology implemented by Pidcott (now eTecK) with the permission of the Cabinet of this country. Prof. Ken Julien, Chairman of eTecK, invited the country’s building contractors and architects to a meeting and announced the building of the Wallerfield Industrial Park and UTT.

The fundamental comment by him was that the Park and the University are to be the showcase for local skills and an opportunity for us to further develop the industry.

Hence the industry was asked to form itself into consortia and apply to be considered for projects in this mega undertaking. The qualified applicants were rated and ranked; the intention is to allocate buildings to these consortia in turn, as opposed to the standard tendering process. What this is intended to do is obvious.

If one were to look at last year's budget details, the amount of money allocated for information technology (IT) systems ran into hundreds of millions of dollars, most of which will go to foreign companies and their local commission agents, despite our intention to build an IT industry.

I wish to recommend that the current licensing RFP be used to first select a group of local companies whose intention is to design and develop (at home) and implement the system.

This does not include purchasing off-the-shelf foreign product.

From these companies then select a lead company to specify, design and manage the supply and implementation of the system and the others as contractors to do the various sub systems; telecommunications, system back end, user interfaces, etc.

This approach should be taken for all our projects in IT, some of which would be small enough for one contractor, and awarded in order given the eTeCK model.

This is not so unusual, for example, Canada had to implement a local content specification in design and development when all of its IT was being supplied in boxes from the South and unpacked and installed in Canada.

Our Government has to put its political will and money where its rhetoric is.

DR. ST. CLAIR A KING

Santa Margarita.”

A very cogent letter. The model of consortia is being applied by eTeCK in the refurbishment of the Hilton Trinidad and Conference Centre as had been published in the press.

In the PSIP it is included as a tourism project for the years 2004—2007 at a budget of \$220.5 million of which the 2005 estimate is \$161.4 million.

Under the circumstances, I will strongly recommend that the Request for Proposals submitted by UNDP be withdrawn and that the ministry consult with eTeCK with respect to the mode of implementation proposed by Dr. St. Clair King.

Let me say that I have known him professionally since 1981 when he did some consultancy work on the first methanol project with respect to our control

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room computer system. He has had a distinguished career at UWI, Faculty of Engineering and he is certainly well known to the Government having been not so long appointed as a director of the Telecommunications Authority of Trinidad and Tobago.

Mr. Vice-President, I come now to the metal-base projects as I choose to call them. The first in that line is aluminium smelter. Very little is known of this project except for the location, the size, while it was 225,000 metric tons a year, now, it may be 322,000 metric tone a year.

7.10 p.m.

The alumina source is said to be Jamaica and Suriname and the major contribution from Trinidad and Tobago is a supply of power through the use of our natural gas. What mil rate is being negotiated—10, 15, 20, 25? What mil rate will make this project fly? Where is the gas coming from? Is it the 100 million cubic feet a day “free” royalty gas negotiated with BPTT, probably at the expense of the real owners of this gas—the local consumer? Has the criterion of downstream development as part of the project package been waived? There are so many questions and almost no answers. I rest my case on aluminium smelter.

Iron and steel. The identified party is International Steel Group (ISG), which is another company. It would appear from the budget statement that they are not yet aware that ISG has acquired the facilities belonging to Cliffs at Point Lisas. Here is how ISG looks at us. This comes from their website.

“ISG Trinidad Inc.

Facilities,

Strategically located near abundant, low cost natural gas resources in the Republic of Trinidad and Tobago, ISG Trinidad is a producer of hot briquetted iron (HBI), a high-quality scrap substitute. The HBI process uses natural gas to reduce iron ore fines yielding a low cost scrap steel substitute that can be used in both electric arc furnace and traditional blast furnace steel making. HBI can also be used to increase the efficiency of blast furnaces and thereby reduce the use of coke. The facility is expected to begin production during the 4th Quarter with an annual capacity of approximately 500,000 metric tons.”

This is what is on their website. They have even given their local address: Caribbean Drive, Point Lisas Industrial Estate, Phone 868-636-5141, for those who want it.

Neither the budget statement nor the Minister's contribution gives a real timing for this project, so if it is going to be this quarter of 2004, are the personnel required for the operations of this plant in place, and if so where have they been since the plant was mothballed?

The second party who is in line for the iron and steel project is NUCOR and they claim to be the largest steel producer in the US with over US \$6 billion sales annually. I do not know whether I should hail the second coming of NUCOR after my adverse comments in my contribution in June during the debate of the Finance (Supplementation and Variation of Appropriation) (No. 2) Bill.

Another story of a second-hand megamod DRI plant and this one is pretty big—1.5 million tonnes per year—and no downstream activity. What, pray, is a steel development authority to which the sum of US \$100,000 has been pledged by NUCOR, ISG and Ispat? What is this concept of a steel smelter at Union Industrial Estate with DRI from Point Lisas? Is this another pipe dream? That is as much as I wanted to say with respect to these projects which are in some stage of development.

I go now to the revenue stream and taxation regime. Mr. Vice-President, I am probably going to disappoint the hon. Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill, by my lack of questions with respect to revenue, but the main reason is the absence of data even from the hon. Minister of Energy and Energy Industries. In this alleged period of transparency, I find this a little difficult. I think transparency might be looked at by the people with tinted glass windows in their cars; those who are inside the car see well outside, but if your tint is dark enough, you cannot be seen. It is a very subjective kind of thing depending on whether you are the driver or the spectator.

The main reason, as I said, was the absence of data. For example, when does BHP Billiton start production and at what rate and what is the build-up to the end of fiscal 2005, when the total production is supposed to be, I think, 203,000 barrels a day? What is the quality of crude oil, the API gravity and sulphur which determines its market value? How is this crude production reflected in the average 150,000 barrels a day quoted by the Minister? He said from the mid 120,000s to 203,000 barrels by beginning fiscal 2006.

I understand that BHP crude may be similar to the Venezuelan Mesa crude which, from Internet data, has an API gravity of 31 and a sulphur of 0.88 per cent. So it is not a low-sulphur crude like Galeota mix, \$32.80 a barrel according to the budget, but a better quality than Trinmar crude. So, today, all I have are some expenditure queries.

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One is the shortfall in subsidies regarding sale of petroleum products. The budget figure is \$9 million. In the debate of September 21, which was not so long ago, under the Finance (Supplementary Appropriation) (No. 3) Bill, \$712 million was transferred to clear the NPMC debt to Petrotrin as at July 31, 2004. So, for the 10 months of fiscal 2004, a shortfall of \$226 million seems to have been accumulated by NP. If I prorate that, it comes up, for the fiscal 2004 to \$271 million for that year. Is \$9 million realistic, notwithstanding the 4 per cent of gross income on higher oil revenues? Secondly, I note, under Head 40, a line item of \$300 million as petroleum relief to Caricom states. This is indeed a first time expenditure and I would like to know the basis for this transfer.

Mr. Vice-President, I am very disappointed that the new tax regime has not been brought before us and will not be for at least another six months, according to the budget statement. So many other reasons were given for the delay from the promised January 01, 2004. There was the delay of the work of the consultants or the non-agreement by the Government of the consultants' recommendations. We were promised late July and then late August; now we have a more than six-month period before that new tax regime comes in. In the interim, according to the budget statement, there is going to be review and renegotiation of all existing production-sharing contracts. I ask: What about those four production-sharing contracts whose signing is imminent according to the Prime Minister and Minister of Finance?

Second item identified was the reactivation of the petroleum committee, which is a requirement under the law since 1980. I am surprised because prior to 1980 we were on a tax reference pricing system where the Government basically fixed the price. Then even, we already had an informal committee. I was on that committee, an Inland Revenue person and another Ministry person and we were able to, on a one-to-one basis talk to the Minister and recommend to him, that is the Minister of Energy and Energy Industries, what tax reference price should be fixed. I was surprised that this has just been dropped by the wayside and I see that it is going to be reactivated. I hope you have the resources to do what that petroleum pricing committee should be doing.

The other item in the interim is to monitor the export of crude oil on a destination basis. What about the LNG exports monitoring? I thought this was more critical in light of the revelations of the hon. Minister of Energy and Energy Industries of loopholes in energy contracts whereby product contracted on a price basis for Spain seems to have been ending up in the United States where the price was very much above the Spanish price. I believe that the contribution of the

Minister of Energy and Energy Industries speaks of contract reopeners and it is proposed to reopen LNG 1, 2 and 3 contracts. I hope they do that pretty smartly.

With this delay, I wonder whether six months is realistic knowing how often the producers and the people out there—the potential taxpayers—will come with proposals and counterproposals and lay them on the table. I presume that one of the deterrents may be to put them on notice about retroactivity of any new tax regime. I read somewhere where this hon. Minister said so, but I have not heard it officially.

Mr. Vice-President, in that September 21 debate, I had promised to update myself on the petroleum taxation laws in preparation for this budget debate. I did keep my promise, but it was made doubly difficult due to the non-consolidation of the Petroleum Taxes Act. Not since 1985 has there been any consolidation, so I would like to appeal to the Minister of Legal Affairs, that we really need to get it done. It is an onerous task, particularly when you do not have research people—like myself, I do not have research people to help me in that situation—but I did go through it because I do have a background in petroleum taxation from the first regime in 1974 and I did work on the first Petroleum Taxes Act at that time. I agree that it is complex. I agree that it is technical, but we have to do better than that.

I wonder where our institutional memory has gone. Is it lost? Has it gone out of the grasp of the Government onto the other side, probably? If so, I am really surprised that the one person who seems to have some skills in that area has now been transferred to NEC to do project development work, when there are people over there who have the capability to do that kind of work and they are available from the National Gas Company.

I do not know what the situation is. To take a good technical person, a permanent secretary of a ministry, well versed in the technical, legal and tax side of petroleum and put him to do development work, which is relatively new to him, and you have a problem still of finding people.

7.25 p.m.

Sen. Enill: Let me just clarify that. He is in fact the lead technocrat, that is heading a multi-talented team to complete this and other exercises of this nature. That is substantially what they are working on within a particular time frame for us to have these matters completed. Rest assured that the skill set is being used in this particular exercise, at this particular point in time, working with some of the other technocrats, at the natural gas task force level.

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

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

Question put and agreed to.

Sen. B. Ali: Thank you very much. That was as far as I was going to speak on the energy sector.

I want to spend a little time on another aspect of the budget that relates to the health sector. It is an item which has been highlighted as improvement of the quality of life. As a priority, a high quality of health, education and general welfare of our people has been identified as a requirement of this budget. I have some serious concerns about deliverability of health care. I am not unique in this respect. There seems to be management by crisis. It is snowballing and decisions appear to be made on an ad hoc basis. For example, in the wake of the enterobacter outbreaks at Mount Hope Maternity Hospital, the solution appeared to be to move the hospital to the Eric Williams Medical Sciences Complex. This may no longer be the operative solution, since the development budget includes this hospital among the list for upgrade.

The administration crisis at the NWRHA has prompted the Minister of Health to issue an order to reinstate a North Central Authority. Mr. Vice-President, the PAC recently met with the NWRHA to discuss a certain matter. A team from the NWRHA included a recently appointed chairman, an acting CEO and an acting Vice-President, Finance, supported by a team from the Ministry of Health headed by a Permanent Secretary who has been acting for two months. I sympathize with these people who are now faced with dissection of the administrative arm to provide for the North Central Authority. Managerial resource is scarce all around and it will take a very brave person to join this organization, which will be in further chaos.

I note also the SWRHA, which also met with the PAC is not in a better position. Only yesterday, there was a full-page advertisement seeking applications for positions from Chief Executive Officer down. I do not know the solution, but the Minister and his Ministry must come up with a plan of action soon. I believe my colleague, Sen. King says the RHAs do not work, so we have to find another solution completely. That is on the table.

From an outside observer like me, everybody seems to be in denial. Take the case of the San Fernando Hospital, a TTT investigation aired on Panorama left me

horrified. The Minister could not, did not or would not believe it. The opening of the state-of-the-art urology theatre received much publicity in the media. Yet, the Minister when challenged on the non-standard operating table, by a young urologist, downplayed his objections. On that same television coverage, the pathologist was unable to persuade the Minister to visit his lab. The pictures showed a dilapidated facility, unworthy of being designated a medical lab. This is my professional opinion, since in my career I have headed a petroleum control laboratory for many years. Work coming from that lab would or could be easily compromised and results could put the patients at risk. I believe the San Fernando Hospital is now a teaching hospital and such facilities as that decrepit lab could well place accreditation in jeopardy. I presume there is an ISO equivalent of certification for quality assurance in medical laboratories. There is probably the need to appoint an inspectorate for all the lab facilities in the public health sector.

Mr. Vice-President, I have had the occasion to discuss the budget with some of my friends in the medical profession. They did provide me with their comments—some favourable, some not so favourable—about programmes outlined in the budget. Let me identify a few. One is the Oncology Centre. I have noted in the development programme that \$21.5 million is estimated for 2004 and \$9 million for 2005, for the construction of the National Oncology Centre. The question that is being asked is: What is the expected completion date and even more important, what manpower and equipment will be in place when the construction is completed?

On the issue of the shortage of registered nurses, I am told that worldwide there is a shortage of registered nurses. One suggestion put forward by my friends is that we should provide for nursing assistants on a continuous basis, to carry out simpler nursing duties.

There was much favourable response to the CDAP programme. They said that provision was commendable. However, there is a need to extend the list to include epilepsy, high cholesterol states, infections and anemia.

With respect to renal dialysis, it was noted that at the beginning of 2005, the budget provides for two centres and 200 patients each. The questions that arise are: Will the provision of this service be free? Will it incorporate the existing dialysis units? Will this be paid for on a per capita basis? If it is not free what will be the fee, since I am made to understand that many persons cannot survive on what dialysis patients receive now on a regular basis?

There was a question asked about the charitable cataract surgery and on open-heart surgery. I see that is highlighted in the budget. The questions that were

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asked were: “Are the ophthalmologists paid? If so, what is their fee per surgery?” I was asked that with respect to open-heart surgery. What is the cost per procedure and who gets paid?

Free services at Mount Hope: do they include dialysis, CAT scan and MIR, where necessary? I think someone asked whether they include the Hibiscus Suites. Those are quite a few items that need to be clarified under the health care system.

I was pleased to note that this Government has finally acknowledged that NEMA is a dead loss. On the last experience of Hurricane Ivan, I was surprised when I heard the Prime Minister say that NEMA had performed well. I could not understand how NEMA performed well. Perhaps NEMA in Tobago performed well, not NEMA in Trinidad. I am glad to see the correction in the Minister's statement; that it is an Office of Disaster Preparedness and Management, and not an office of disaster relief. There is a sore need for preparedness for things which we know might come, like hurricanes. That is a predictable kind of thing. We get enough early warnings for hurricanes. We should be well prepared for that. Let us see what can be done. We are near the end of this hurricane season. Before the next budget comes, we would be well inside another hurricane season. I believe \$15 million have been assigned to that. That is peanuts. I hope that whole organization would be boosted up and made operational, so that people will be more aware of what is involved and we would stop thinking that God is a “Trini” and we will be well aware of what the situation is when such a disaster is imminent.

In the case of the other major disaster, earthquake, we are in fact within an earthquake belt, many people do not want to believe that. I believe there is a fault—the El Pilar fault that runs right through Port of Spain and we are at the end of a tectonic plate. I am not an expert in that. We are not immune to earthquakes either. In that case, we have to be prepared for relief, rather than prevention of injury and damage as we go along.

Mr. Vice-President, I would like to conclude by saying that I believe that the downstream, gas-based petrochemical sector has fared well during fiscal 2004, with ammonia prices approximately \$250 per metric ton, and methanol about the same. NGC could have made a healthy profit with sales to petrochemical plants at the price order of US \$2.50 per mmbtu. Let us hope that returns can be renegotiated successfully, and hopefully retroactively, for LNG sales.

A new fiscal year has started with buoyant prices for all products and the prognosis is good for this year. Let us spend it wisely, invest it wisely and save some for the rainy day. Thank you.

The Minister of Social Development and Acting Minister in the Office of the Prime Minister (Social Services Delivery) (Sen. The Hon. Mustapha Abdul-Hamid): Thank you, Mr. Vice-President. Let me begin by adding my own words of commendation to the hon. Prime Minister and Minister of Finance, on what has been acclaimed, I suppose by all, as being an excellent budget. It is indeed a very good time. I suppose, that too has been conceded. It has been conceded, perhaps, jealously, by those on the opposite side but it is indeed a very good time to be in government.

I would also like to commend the Minister in the Ministry of Finance and his staff, because I know that he worked very hard on holidays. He took night to make day. He called me out on Republic Day, because there was a particular document on which we were collaborating. I am sure that he was actually in the office working and not pretending.

7.40 p.m.

Mr. Vice-President, it seems to me that Senators on the opposite side have undertaken a strategy, where they have begun quoting people frequently. There is some good in that because for the first time, we are hearing reasonable comments coming out of their mouths, except that those comments are quotations, and really belong to other persons. In quoting intelligent people like philosophers and great thinkers, what they are in fact doing is borrowing people's reputations; leaning on thinkers; and leaning on ideas that would have been expressed by others.

Sen. Seepersad-Bachan: Talk about what you are doing in the ministry.

Sen. The Hon. M. Abdul-Hamid: If ever you become a minister; you will get your chance to make your contribution. They have been leaning on people's reputations. Mr. Vice-President, can you imagine that Sen. Mark was quoting Martin Luther King? This is like a snake whistling and trying to convince me that he is a semp.

Mr. Vice-President, they are like artists and storytellers, painting in the sky. If they are painting an image, as soon as their hands are removed, the paint image is gone. There is no image! All that is happening is that the foul matter that they are using to paint is dripping on their faces. That is poetry, and I am quoting me. [*Desk thumping*]

I was also a teacher and no one in here could go a sad story competition with me. If you tell a sad story, I can tell you a worse story. We understand the society. Do not come here and describe stories as though I was born in a suit, and

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they alone know the ground. We know the ground. [*Desk thumping*] We have been working on the ground, and we are treating with the ground.

The Senator said that there were 300,000 persons who are living in abject poverty. [*Laughter*] The Senator should wipe his face because there is foul matter on it. When the Member was making reference to that matter, I did a quick calculation. With respect to the SHARE programme, during last year, 123,435 persons benefited from that programme. [*Desk thumping*] The Member should take a note of that number.

With respect to the Public Assistance Programme, that figure was \$320 last year, and that figure has been increased to \$470 this year. There is a total of 251,113 persons benefiting from that programme.

With respect to the old age pension programme, 64,510 persons benefited from that programme. When you add the number of persons who have benefited from those programmes you would get 439,058 persons. That is almost half a million persons who have benefited from these programmes, and that is only with respect to three programmes. I did not get into the other 117 programmes that we have. [*Interruption*]

Mr. Vice-President, I have not yet referred to our projections for next year. Hon. Senators are going to speak on that matter, but I will just look at our projection, in terms of the number of beneficiaries. With respect to the Geriatric Adolescent Partnership (GAP) programme 1,500 would be benefiting from that programme; Helping You Prepare for Employment (HYPE), 1,500 persons would benefit from that programme; On the Job Training (OJT) programme, 8,000 persons would benefit from that programme; Youth Training and Employment Partnership (YTEP), 7,000 persons would benefit from that programme; Sport Training and Enhancement Programme, 4,000 persons would benefit from that programme; Non-traditional Skills Training for Women, 1,200 persons would benefit from that programme; and the Government Assistance for Tuition Expenses (GATE) programme, 25,000 persons would benefit from that programme. The population is benefiting.

I would like to tell the Senator that the 300,000 imaginary persons that he has—I am not disputing that there are poor people in Trinidad and Tobago. I do not know where he has those 300,000 persons hidden—he could bring their names to us and we are going to take care of them, because the funds were allocated to take care of those persons. [*Desk thumping*] I have just outlined the large number of persons who have been benefiting from these programmes. That

figure did not even include \$182 million that we have given in the form of subventions, to non-government organizations (NGOs) to also deliver services to the people of this country. So, do not come here and paint pictures in sky; things are dripping on them.

Sen. Mark: Are you finished with me?

Sen. The Hon. M. Abdul-Hamid: You did not say much. [*Laughter*] [*Desk thumping*] Sen. Augustus followed up on the point that the Senator made with respect to the 6.2 per cent growth. He asked the question: What does this mean for the little black boy? The Senator gave his own definition of “a little black boy” so I will work with his definition.

The average young person who was born into a wealthy family went to a secondary school. Just imagine a worse case scenario where that person gets involved in negative activities—he does not do his work; he smokes weed; he limes on the block; he walks on the pavement and spits on persons and so forth. That person is now 21 or 22 years with no O’levels and no qualifications. That person has nothing. At 22 years that person catches himself and realizes that he has to take care of himself; he has to learn to earn; and he has to be able to equip himself with some skills to be able to provide for himself. So, he says to this father, “Look, father, I want to do something with myself.” His father says to him, “Oh, so you now catch yourself.” The father then sends him to do some form of training—he pays for him to go to Miami to do dentistry. Now, that person is now 27 years old and he is a qualified dentist. I know of some of my schoolmates who had that same story. That is a true story.

What is the situation with respect to “the little black boy” as described by Sen. Augustus? He does exactly the same thing as the wealthy young boy. He goes to school; he plays the fool; he limes on the block and smokes the same weed; and wastes his time and now he has no qualification. When he reaches 22 years he then catches himself and says, “Now, what will I do? I do not like this life.” He looks for his father, but there is no father; he looks for his mother, but there is no mother. Who will give him that second chance? Does he deserve a second chance like the other gentleman? This is where this Government will come in. We are going to give him that second chance. [*Desk thumping*]

There are 17 training programmes where we give second chances and third chances because young Trinidadians deserve those chances. We are going to help them. We train them in all kinds of skills, and we are going to have more than the 135 programmes, because every Trinidadian must get a chance. We believe in

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that. Whilst we are doing that, we are providing them with a stipend because they have to eat. We cannot expect them to sit in a room and to train and learn on a hungry belly. That is what we have been doing. That is the philosophy of this Government.

I had the great privilege to attend an international conference on social welfare. A number of countries made presentations with respect to their own social sector interventions in their respective countries. There were presentations made by European countries. I remember one presentation being made by France. Hong Kong made a presentation; Malaysia also made a presentation, as well as a number of other countries. At the end of this, I came to the conclusion that the social sector intervention programmes designed by this Government are, indeed, the best in the world. [*Desk thumping*] This is so because our social sector programmes are comprehensive; and they comprise a wide variety of programmes and cater to various needs in the society.

Our country was the only country I was able to identify that has skills training with stipends as a social intervention on the scale that we have it.. That is not a handout. This is teaching people how to earn; how to strengthen themselves; and how to equip themselves so that they will come to the point where they would be able to take care of themselves. As far as I can tell, from the presentations made, we are the only country that has included entrepreneurial development, as part of our social sector programmes, where we teach people how to get into business; and walk them through the process. We are working at improving and expanding that area.

Within the education system, as will be articulated later, not only is education itself free, that has become standard. We also provide meals; we provide assistance with books, uniforms and transportation. These things are not known outside in other parts of the world. We also provide assistance for all the vulnerable groups like the disabled persons, older persons, needy families; and we even provide family support and counselling. Culture is also a part of social development.

Mr. Vice-President, I feel very happy to be part of this Government. When I look at the nature of our social sector programmes, I feel very honoured to be part of the social sector itself.

Sen. Mary King raised an issue with respect to monitoring and evaluation of programmes to ensure that we get value for money and so forth. I was very happy that she mentioned that. Some Senators may know that the Ministry of Social

Development, as it existed in the past, was really a mega ministry involving research, development and delivery. Very often, you will find that where you have the delivery part of the ministry—that is those programmes involved in old age pension, public assistance and so on—being combined with research and development, the research part is given less attention.

In the last configuration in 2001, when we came into office, what took place was a separation. The Ministry of Social Development was configured and given the responsibility for social planning and policy; social impact assessment and review; monitoring and evaluation; and later the responsibility for the division of ageing and community mediation. But monitoring and evaluation was a responsibility that was given to the Ministry of Social Development.

Monitoring and evaluation is actually a science and the terms are properly defined. I would just like to read into the record what we mean when we use the words “monitoring” and “evaluation” and from there, one would understand what is the responsibility of the Ministry of Social Development.

There are a number of definitions, but I will read one of them. Monitoring is a systematic collection of data on specific indicators in order to ascertain the achievement of objectives and the appropriate use of financial resources on an ongoing basis.

With regard to evaluation, it describes an objective analysis of current or completed projects or programmes to determine their relevance, effectiveness, efficiency, outcomes and sustainability, based on reliable and credible information.

7.55 p.m.

Mr. Vice-President, that is what we are responsible for in the Ministry of Social Development, as it relates to all the other ministries in the social sector. We are talking about, approximately, 12 ministries that are involved in delivering social sector programmes, projects or services to the citizenry of Trinidad and Tobago.

Essentially, monitoring and evaluation are to be used as tools to help planners initiate new programmes, projects, services or policies, to determine whether existing interventions should be strengthened or discarded, to facilitate continuous improvement in service provision and to assess overall efficiency and effectiveness of social intervention, in terms of its output, outcomes, cost and impact.

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Further to that, at the Ministry of Social Development we undertook a review of the monitoring and evaluation systems and capacity in the social sector; this is the report. We examined all the social sector ministries, one by one, and we looked at the capacity of each. This being a relatively new feature to governance in Trinidad and Tobago, it is understandable that there are not too many formal systems of monitoring and evaluation, and that is true around the world, because it is a relatively new science. We found that to be the case, but we also found a high level of satisfaction among the persons delivering the programmes, in that, they were satisfied and confident that the programmes were, in fact, having the kind of impact that was intended. However, there were not measurable or monitorable evidence.

Having determined that, we decided that we should go a step further. What we have, in fact, done is to prepare a draft monitoring and evaluation policy for the social sector, which I am sure Sen. King will be happy to hear about and see. This draft policy sets standards for monitoring and evaluation in the social sector; it classifies social interventions for monitoring and evaluation purposes; it outlines reporting structures and requirements for monitoring and evaluation purposes; it outlines what capacity will be necessary and addresses the question of capacity-building in the various ministries. It also outlines the role of the Ministry of Social Development's Monitoring and Evaluation unit and proposes the establishment of such units in all ministries and the guidelines as to how they should operate and what, specifically, they must do.

More than that, we have also developed a glossary of terms and a tools manual, so that they will have all the tools necessary to undertake monitoring and evaluation exercises. When I say "tools", I am talking about various forms, questionnaires and other monitoring and evaluation instruments that are necessary to ensure that the highest standards of monitoring and evaluation are established and maintained. This is a very positive move and will, in fact, have the effect of revolutionizing the way we assess our programmes and the availability of scientific information and evidence to inform how we proceed with our social sector interventions. It is really a major step forward and we are very, very happy about it. We have also developed a training manual. *[Interruption]*

Sen. King: Mr. Vice-President, may I ask the Minister, through you, if a copy of his monitoring and evaluation paper could be given to us?

Sen. The Hon. M. Abdul Hamid: In about two weeks' time, we intend to hold a stakeholders' workshop and, at that stage, we are going to review the

document again. It is not a final document; it is a draft. The Cabinet has given us approval to use the draft at our stakeholders' workshop, where we will invite comments from all the stakeholders present. We will then take the comments on board, finalize the document and take it back to Cabinet for approval. At that stage, it can then become a public document. For the purposes of the stakeholders' workshop, unless you intend to participate when, by all means, a copy will be given to you, I cannot yet release it as a public document simply because we have not had Cabinet's approval.

Sen. King: Thank you.

Sen. The Hon. M. Abdul Hamid: Our unit has had the benefit of the expertise of an eminent expert out of Ghana, provided by the Commonwealth. He has been with us for about 18 months and his expertise, in a very significant way, benefited our process in this area. We have spread it across various ministries. We have done training for other ministries in monitoring and evaluation so that they will be better able to streamline and strengthen their systems in the various social sector ministries. To close off on monitoring and evaluation, I will say that it is, indeed, a very positive step for us.

Let me say something on older persons, in looking at the work of the Ministry of Social Development. We have responsibility for the Division of Ageing, which was established in 2003. It was established because, as I said a few weeks ago when I announced the National Policy on Ageing, the population of persons 60 years and over has been climbing steadily; from 1960, when it was 50,000, to 2000, when it had risen to 120,000, to 2004, where it now stands at 125,000 or, approximately, 10 per cent of the population. We project that by the year 2020, it will be 230,000 or 15 per cent of the population.

That being the case, we have to address the issue of older persons, in a very comprehensive and holistic way. Traditionally, there has been the tendency to address issues, as they related to older persons, in a very disjointed and ad hoc way. Having recognized that, we developed a national policy on ageing; another document that we have produced. We are not in the business of delivering the services. Our business is to do the research, develop the policies, do the thinking and present the policies that will inform what will take place in the rest of the Government, as it relates to specific areas.

We have this draft policy on ageing and it is intended to provide the foundation for the implementation of this holistic approach to the sustainable enhancement of the quality of lives of older persons. It is, of course, consistent

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and in accord with the Madrid International Plan of action on ageing, which is a 2002 United Nations document. It is consistent, in that, the principles of accessibility, participation, dignity, healthy and active ageing—emphasis being on “active ageing—independence and community-based care were established. We have made our document very consistent with those particular principles. We say “independent” and “active ageing”, simply because we recognize that not everybody over 60 years is necessarily dependent on other people in their daily lives.

The policy also addresses, in the main, issues of social security, income security and employment, participation, involvement and social inclusion, dignity and respect for older persons, health care standards for hospitals and care facilities, housing, education and training, recreation, legislation and research. Mr. Vice-President, we understand that older persons’ needs vary. Sometimes we think about older persons and we have a particular image in our minds and that image may not be accurate, in the sense that their needs vary.

There is the concept, among those who study the needs of older persons, of “younger old” and “older old”: persons who are less dependent or more dependent. As you grow older, you move from being less dependent to becoming more dependent and your needs change. As a result of that, it is not a case of “one size fits all”, in terms of the services we offer to older persons. While you are “younger old”, just over 60 years, you might have need for company; your need might be for recreational facilities or a centre to attend to meet other people where you can chat and make new friends, because your children may have left home. You may want to learn computer skills; there may be various things you want to do, because you are still very functional and very independent.

As you grow older, your needs change and you become more dependent on persons. You may move from being “younger old” and independent, to “older old”, where your need might be for medical care. You may need to be hospitalized; you may need to be placed in a nursing home; you may need that kind of daily attention. In the middle somewhere, your needs may be different, in that, you may need to have a doctor visit you twice a week or have somebody take you to the doctor, the supermarket or some recreational activity. The point is, needs change and vary.

At the Ministry of Social Development we have developed what is called “a proposal for a continuum of health and support services for older persons”. It is called a “continuum”, because we have identified the range of needs along this band and have installed different services for older persons, depending on their

varying needs. So we have in this continuum a category of preventative care, really directed at younger old persons, an example of which is the senior centres. Within the next three years, we hope to establish senior centres across the country where older persons can conduct their leisure and developmental activities. A meals-on-wheels programme is something we have included here; it is something we are considering; congregate needs: transport and escort services—you may need somebody to take you somewhere; regular monitoring services—you may not need to leave your home, people can check on you at home; counselling; primary and community health care.

We move from that to a category called “curative”, where we have home care, assisted living facilities. This might be where someone comes to stay in your home. You may live alone; you may have your own home; somebody will come and stay at your home with you, so that you do not have to go into an institution.

8.10 p.m.

Some people, we all understand, will enjoy, and prefer to be in their own homes where they might be more comfortable. We have also looked at adult day programmes, companion care and supportive housing. Then we also have restorative care; hospital care; and fully supportive, which is for the most dependent older persons: we have homes for the aged; chronic care and nursing homes. As I have said, the entire continuum would be introduced on a phased basis and we are looking to start with the senior centres, the meals-on-wheels, transport and escort services and the regular monitoring.

The Division of Ageing to which I referred earlier, would be responsible for coordinating these activities. In promotion of this concept of active and healthy ageing, last year our Ministry held—I think it was the first ever in Trinidad and Tobago—an event in “Commemoration of the International Day of Older Persons” which is a UN-identified day, on the first of October every year. In October 2003, we commemorated the day with a day called “The Day of Recreation and Sport for Older Persons”. I think it was a novel idea. If it took place before, I knew nothing about it.

The idea behind that particular project, or event, was to demonstrate to everyone, older persons, younger persons and persons approaching 60, that there is more life beyond 60 than death; that getting to 60 is not about waiting to die, because there are some who hold that view, that as you get old it is a question of waiting to die. We want to change that mindset. That is not a correct mindset. That is a mindset that is based on falsehood. There is a lot of life beyond 60 and

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we want to demonstrate what persons, who take care of themselves, can, in fact, do with their bodies, with their minds beyond 60, and in so doing, change the attitudes of persons who approach 60 so they would start taking care of themselves earlier so when they get to 60, their bodies would be capable of more; and also to demonstrate to other older persons, “Look, there are persons here 60 and over who are physically active and who are enjoying a full life, so you come, too, and start to participate and get involved in that.” So we have a day of recreation and sport for older persons. Of course, we got no coverage for it, but we have learnt to bear with that.

This year we did something slightly different. We had a cultural show for, and by, older persons. Older persons were largely involved in the organization of the event. We held it at Crowne Plaza. Most of the acts were by older persons. Some of you may have seen the advertisement we put in the newspapers, where we highlighted those who were present. We had a number of persons who were 60 and over who performed and we invited them again. It is in the same vein of demonstrating what persons beyond 60 are capable of.

Many people were surprised, for example, to realize some of these people who were, in fact, over 60. Our master of ceremonies and the majority of the acts—and beautiful acts—and the entire audience, were people over 60. A few needed to bring their assistants. Again, it is in the same vein, as I have said, of encouraging people to understand that there is life, and full lives, to be lived once you have passed 60, and look forward to the life in the years ahead. It is really a mindset that we are looking to change and to enhance the thinking in a way that suggests that there is a lot to look forward to. In that particular division in the ministry, we intend to introduce, what is called, a help desk, so that older persons can, in fact, call a particular number—which we would advertise—and get assistance in terms of referrals, and so on.

Public education on ageing is important to us as well. We need to educate the national population about how—even as younger persons—to prepare themselves for the inevitability of the ageing process, so that when they, in fact, reach retirement age, they are going to be well-prepared to live a rich life.

On the question of ex-prisoners, it has been articulated on numerous occasions and by the research undertaken by Sen. Prof. Deosaran and his colleague, Mr. Ramdhanie—there is a report on Prison Recidivism towards Reduction, Rehabilitation and Reform, in which he identified at least 56 per cent of the prison population are, in fact, recidivists or repeat offenders. There are some statistics which suggest it is slightly more. Be that as it may, recognizing and

understanding that, what we did was establish an inter-ministerial committee to develop a comprehensive programme proposal to treat with the situation of ex-prisoners in Trinidad and Tobago.

We recognize that many ex-prisoners, on leaving the prison gates, find themselves in a situation where their families may reject them; their communities would reject them; employers have serious reservations about hiring them, all of which serve to alienate the ex-prisoners and give them very few options so that they feel pushed back into a life of crime. Of course, that cannot be justified, but having recognized that, we think that to alleviate the situation, we must try to make some kind of provision to allow this ex-prisoner to reintegrate into the society and, hopefully, reintegrate even into his family. It would mean, of course, changing the attitudes of members of the population, but it would also mean doing some work with the ex-prisoner to ensure that he is properly rehabilitated so that the reservations and fears that people have, can be allayed.

The establishment of this committee, as I said, is a comprehensive proposal and we are looking towards developing and they were given the responsibility to assist ex-prisoners, to develop a proposal which would assist ex-prisoners to reintegrate with their families; to become self-reliant; to provide counselling and rehabilitation services for ex-prisoners and facilitate reinsertion into their communities; to foster acceptance of ex-prisoners by society; to facilitate the acquisition of job-training skills and life-skills training by ex-prisoners; to provide job placement services for ex-prisoners; to provide temporary accommodation through the establishment of halfway houses requiring such assistance, or graduation centres in various communities where ex-inmates can stay for a period of time.

The problem, really, is a multi-dimensional one, and as a result we took persons from a wide cross-section of the population. The work of that committee is ongoing. In fact, right now they are in the process of undertaking a proper scientific study of exactly what the needs were, because once they had started to meet, they realized quickly that they did not have any scientific data as to what were the specific needs. So that, given within our Ministry we do proper research and we do not guess—we try to avoid having to make guesses—what we decided to do was to undertake a proper research of the needs of ex-prisoners, which we have started. But in the interim, we understood that the problem was urgent so some members of the committee formed themselves into a subcommittee to come up with some emergency relief measures.

What we did was to invite non-governmental organizations that were already in the business of providing services to ex-prisoners, the rehabilitation services,

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accommodation, and so on, and we decided that we would provide some funding. We went to Cabinet and got approval to provide funding to these NGOs so that they, primarily, could improve their capacity and treat with more ex-prisoners than they had been treating before, and also improve the quality of their service.

We invited proposals from a number of NGOs and there were four that were successful. We provided them with funding so that they could buy equipment; do whatever enhancement to their premises that may be necessary. I will take the opportunity to list which ones those were and the funds provided:

New Life Ministries	\$200,000
The Way of Holiness Centre	\$190,000
The Empowerment Programme	\$60,000
Transform Life Ministries	\$50,000

The purpose of that was really to allow them to strengthen their ability to provide services to ex-prisoners.

The Government has been increasingly moving in the direction of providing more and more assistance to NGOs so that they would provide the services, and we are partnering with the NGOs in this way. This is one example of that because, as we all understand, there are benefits, in fact, to working with and through NGOs.

The institution of the family is something that is dear to us all. We all recognize that whenever and wherever the institution of the family is dysfunctional, we are going to find that the society also is dysfunctional, perhaps, proportionately or disproportionately. But if we agree with the argument that the institution of the family is the pillar of the society, we can understand if the pillars are weak, then the society, likewise, is going to be weak.

Having understood that, we established a multi-disciplinary committee to examine the status of the institution of the family in Trinidad and Tobago and to make recommendations as to how we could, as a society and a Government primarily, improve the strength of the institution of the family in Trinidad and Tobago. We gave that particular committee a mandate to assess the current status of the family unit in Trinidad and Tobago; to present the recommendations to treat with the problems identified; to develop an action plan to implement recommendations; to identify immediate medium- and long-term action to provide support to families; to rehabilitate and reconstruct the institution of the

families when necessary. That is a big mandate, because the institution is a critical one and it is important that you do it right.

The committee first undertook a literature review, where they examined all that had been written about the family in Trinidad and Tobago before; took on board all the information that they gathered therein and they moved forward to conduct focus-group sessions all over this country. They met with parents and grandparents, young people, counsellors and service providers, religious bodies, employers and employees, school children, people in urban and rural areas, understanding that the workings of the family may be different, and they addressed with these groups, issues such as—and within the document you are going to find it—incidents such as:

Marriage and divorce

Male-headed versus female-headed households

Family structures

Ethnicity and marriage

Family disputes

Economic impact on the family

Male marginality

Parenting skills

And a number of other issues that they felt would have impacted on the family.

I am happy to say—again, as Senator King did, I have brought this document in furtherance of the points that I am making, but you would see little pieces of paper attached to this document. These are comments that I have to make before I return it to the staff for us to address some of the questions that I myself am asking. But this is a report on the status of the family that we would take to Cabinet, perhaps, in about two to three weeks' time. In fact, this budget this week is actually keeping back my work, but it is a welcome keep-back.

The point I am making is, we are moving forward with this. We do have a report from the committee. We came here about six to eight months ago, speaking about the establishment of the committee and I have brought this just to show you that we are, in fact, doing our work. In this document, there are about 45—46 recommendations which need to be better structured. I think there are some

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recommendations that are similar to others that can be collapsed into one and some, I think, that we already have under way, and so on.

8.25 p.m.

That is what we would be doing over the next couple weeks. They will respond to some of my questions. Work on the family is continuing. You made reference to the institution of the family. I want to assure you that the Ministry of Social Development is addressing that as well. I made the point before that history and sociology impact on the quality of family life and we are trying to take some of that on board.

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

Motion made, That the speaking time of the hon. Senator be extended by 15 minutes. [*Sen. The Hon. J. Yuille-Williams*]

Question put and agreed to.

Sen. The Hon. M. Abdul-Hamid: Thank you Mr. Vice-President, I have not reached half as yet. [*Interruption*] Hold it Sheriff, sit on the cherry patch.

With regard to the children, the United Nations Assembly special session on children convened to facilitate a global end decade review of the progress made in the attainment of the goals of the World Summit for Children. Out of this session there was an outcome document entitled, "A World Fit For Children". They identified four major priority areas such as, promoting healthy lives; providing quality education; protection against abuse, exploitation and violence against children; and combating HIV/AIDS. Under each area there are further specific goals that they identified. Under promoting healthy lives the goal is to reduce by 2015, the infant under five years of age mortality rate; maternal mortality ratio and malnutrition among children under five years of age by at least one third.

In this document, the Revised Draft National Plan of Action for Children, we have identified those four main goals and the sub-goals. We have identified the current situation in Trinidad and Tobago; the progress that we have achieved thus far; any shortcomings that may exist in relation to our achievement of these goals and the priorities to be undertaken to ensure that we achieve the targets by the date set.

This is an extremely difficult piece of work because it involves examining the work of various ministries and institutions in the society. Almost with a fine tooth

comb, we have gone through various agencies and ministries looking at what they have done over the last few years in respect of the achievement of these goals. Under the heading: "Children in Situations of Abuse, Neglect, Exploitation and Violence", by 2010, our goal is to protect children from all forms of abuse, neglect, exploitation and violence. We have done an analysis on that; listed the progress we have achieved in terms of legislation and some of the services that we have established under the Family Services Division that serve to alleviate that problem.

There is a list including the work of non-governmental organizations. They have identified the shortcomings and listed the priorities. It is a very comprehensive document. We have worked on it over the last couple of years and it has been long in coming.

This is a document of which we are extremely proud. This is the first announcement of it I am making. Only recently, we got Cabinet's approval for it. It is almost the launch of the document that I am now going to undertake. Recognizing that many social sector programmes exist in the country and some of the potential beneficiaries may not know about them and deriving the benefits to which they are entitled and even for those who may have heard the name of a programme but do not know how to access it; where to go to receive a form; who to contact and if the programme is intended for them and the 300,000 persons, about whom Sen. Mark spoke may not be accessing the programme, we have undertaken painstakingly and happily, the exercise of developing, *A Guide To Social Programmes And Services In The Republic of Trinidad and Tobago*. This document is extremely important and useful in the lives of our citizens in terms of empowering them to access programmes which would help them in their respective situations. This document provides a description and purpose of each programme and or service; the criteria for accessing the various programmes and services; a list of offices and sub offices where users may obtain application forms or access to respective information and in some cases contact numbers of offices where these programmes and services are available.

It is our intention to publish this document for national distribution. In the first instance, we propose to publish 100,000 copies of this document. We have listed 60 social sector programmes such as On-The-Job Training Programme; the National Social Development Programme; Public Assistance Programme. There is detailed information on what each is about; what it aims to achieve; who should apply; how to apply and where to go. It is our intention to make this available to the national community. It is the first edition and we will do future editions

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updating the information as programmes change and the effects of monetary evaluation come to bear on programmes.

As programmes change by definition, nature or in scope, we will make the adjustment. It is a user-friendly document. The programmes are categorized according to their nature, description and ministries. You can go to a particular ministry to see all the programmes there. This is the work of the Ministry of Social Development working in close collaboration with all the other social sector ministries of this Government dedicated to improving the quality of service for our citizens.

In the few minutes I have left, permit me to speak briefly on some of the increases that were announced in the budget. We are very clear that a government must be a compassionate government. One cannot look to the future without looking at today. Citizens must be able to sustain themselves. It is unreasonable that we can announce a budget this size and those whose incomes might be at the lowest levels are not in a position to benefit. We have undertaken to move the benefits to persons who participate in the basic pension to \$1,050 and those who receive the monthly pension to \$1,150. We expect 64,510 beneficiaries. In terms of public assistance, those who received \$320 for one person will now get \$470; those who received \$560 will now get \$710; two persons will benefit. Those families of three who previously received \$770 will now get \$920 and families of four or more will receive \$1,090.

Last year we increased the disability assistance grant from \$600 to \$650. Some people, I will suggest unfairly, criticized the Government by saying that the increase was just \$50. They did not take into account that we had expanded the age of persons to benefit. Previously, people between the ages of 18—40 years had no benefit, they moved from zero to \$650 last year. Between last year and this year, those persons have now moved from zero to \$800. That is a significant improvement in the quality of lives of those persons. We have added \$150 to all beneficiaries. Our assistance to persons with disabilities is not extended to only the Disability Assistance Grant.

I need not go into all the details, but we worked with a number of non governmental organizations. We were involved with DRETCHI to provide free hearing aids for 552 persons. We tested 1,219 and provided financial support.

The Public Service Transport Corporation (PTSC) bought five buses specifically dedicated to transport persons with disabilities. We are moving closer to where we will like to be. Incrementally, we are improving the quality of service every day. We are getting there positively.

We have also expanded the SHARE Programme. I am speaking about these programmes in my capacity as acting minister dealing with social services delivery. Normally, I will speak about social development. I am speaking about the Social Help and Rehabilitation Efforts Programme (SHARE) as a project of the ministry's social services delivery. That programme has been expanded in terms of the value of the hamper from \$200 to \$250 and the number of hampers from 15,000 to 20,000. That represents the concern and care that this Government has for our citizens and ensuring that on a daily basis their basic needs are provided for and continue to be provided for. How much time do I have, Mr. Vice-President?

Mr. Vice-President: Two minutes.

Sen. The Hon. M. Abdul-Hamid: I know that they do not like to hear good things. It annoys them. It damages their souls. Good things damage their souls. Only the devil—

As you may recall we introduced a new community mediation programme. *[Interruption]* When you find your soul, you will tell me the effect that it is having on your soul. I will close with this. We had to repeal the Mediation Act of 2000 because there were fundamental flaws in it. We went through that already in terms of the constitutionality of the Act. We have established a new community mediation programme. Among other things I want to identify one distinguishing feature of that programme. We have included a very proactive component that we are taking to the people in their communities, certain skills that would allow them to enhance the quality of their lives and their relationships primarily within their families.

8.40 p.m.

We are teaching skills, using expertise to teach skills in anger management, conflict resolutions, various relationship issues, where we are helping our citizens to improve their relationships with their children, spouses and neighbours. Hopefully, out of that programme, after a period of time, after you have injected those skills into families, into communities, it would be established securely, as part of their culture.

Mr. Vice-President, I do have more to say but I will stop here and hope that I will get an opportunity, somewhere along the line to say it. I thank you very much. I conclude by saying, indeed it really is—and I know they recognize it—a wonderful time to be in Government.

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

The Minister of State in the Ministry of Science, Technology and Tertiary Education (Sen. The Hon. Satish Ramroop): Mr. Vice-President, I am also happy to join in this debate and, as you will remember, I always come at this late hour. I remember my last contribution; it was a late hour also.

First, let me congratulate the hon. Prime Minister, for what I consider to be an excellent budget—a budget for the people. I must say also that it was timely. I also congratulate the other Ministers in the Ministry of Finance for a well done budget.

It is unfortunate; I will not be as dramatic as my last colleague because I do not have the acting skills. I just want to share the achievements of the Ministry of Science, Technology and Tertiary Education and to also highlight some of my ministry's plans for 2005.

As my colleague mentioned, some Senators on the other side do not want to hear too much about the achievements, but right now everywhere you go people are talking about the Ministry of Science, Technology and Tertiary Education. [*Desk thumping*]

Mr. Vice-President, it is a feature of every successful developing country in the world that a high percentage of its population is involved in lifelong learning, continuous education, continuous upgrading of skills. Every developing country that has been successful has put much focus into this area of national life: the aspect of training of citizens and higher education beyond the secondary level.

In the 2004 budget, you will remember that the Government identified education as its number one priority in transitioning the country to developed-status goals. The Government agrees that national development is achievable when the country fully manages the potentials of its technological, financial, cultural and intellectual resources.

Mr. Vice-President, understanding this issue, the Government intends to steer the critical, the social and economic fabric of this country by making significant financial investments in the development of the country's human resource. In the context of Vision 2020, my ministry's policy intervention is to position Trinidad and Tobago as a competitive economic market. The ministry has the important role of facilitating the development of a knowledge-based economy and society, which is characterized by equality in educational opportunity and access to quality lifelong learning pursuits. Once this is implemented we can ensure that Trinidad and Tobago grows steadily towards our 2020 vision.

In preparing for Vision 2020, we at the ministry have developed policies focusing on tertiary education development, national training, distance and lifelong learning, accreditation, seamless education and science technology and innovation.

The ministry's work in the area of policy is key to addressing the country's development thrust through modernization of our tertiary education and training system, and development of a national innovation system constructed on a science and technology framework.

Investment in the country's tertiary education and training system is pivotal to the development, particularly, as this Government intends to leverage a system to develop the knowledge capital, which will make Trinidad and Tobago internationally competitive.

Specifically, the ministry's programmes have been designed to deliver the goals identified in the policy areas that I have mentioned. They ensure that we create avenues for educating and training all citizens, and they address the issues related to producing an educated society and a workforce.

The ministry, therefore, has identified clear sustainable strategies and these are related to access to tertiary education, affordability, quality education, relevance and skills development, within the context of our culture and system, tertiary education, training and innovation.

Consequently, Mr. Vice-President, for the 2005 fiscal year my ministry will embark upon the theme: "Linking human resource development to our country's prosperity, to bridge our work in tertiary education, training, science, technology and innovation with the broader work of the Government's development strategies."

Mr. Vice-President, at this point I will touch on some of the achievements of the Ministry of Science, Technology and Tertiary Education; there is so much and if I continue to mention all, we might be here for a very long time.

In 2003/2004 the ministry was allocated \$850.9 million in both recurrent and development programme budgets. At the ministry we expended \$843.1 million, achieving a utilization rate of 99 per cent of our allocation. This included works programmes, policy planning and administration within the ministry and its line agency. Let me, at this time, congratulate the staff of the ministry and all our line agencies for the effective and prudent management, which allowed this success rate.

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With respect to policy, the ministry has almost finalized its policy documentation concerning the development and maintenance of:

- (1) the national accreditation system;
- (2) a seamless system of education and training;
- (3) a relevant coordinated economical tertiary education, training sector and system;
- (4) a distance and lifelong learning programme; and
- (5) an integrated system for science, technology and innovations.

More specifically, Mr. Vice-President, the ministry has embarked on a number of programmes and projects within the context of development, one of which is the University of the West Indies and its associated institutes, the University of Trinidad and Tobago, COSTAATT, Trinidad and Tobago Hospitality Institute; the National Training Agency; the National Institute of Higher Education, Research, Science and Technology and the Craft Technician and other technical and vocational education and training programmes.

Mr. Vice-President, with respect to access, the ministry's focus has been on widening and deepening the mechanisms that allowed for all citizens to participate in tertiary education, training, technical education and science popularization, all connected within a seamless system. This seamless system eliminates all gaps for our citizens' learning and recognizes our citizens' knowledge, skills competencies in order to build a knowledge-based society.

Mr. Vice-President, the ministry has estimated that the national tertiary education participation rate has exceeded 15 per cent, which was our initial projection for 2005. Data available to me indicate that between late 2002 to today enrolment in tertiary education has increased by 11,068 students, which represent a rise of 40.4 per cent from 2002. In terms of post secondary education and training offered in 2003/2004 the ministry's programmes have catered to more than 15,000 nationals who have benefited from occupational and skills development opportunities.

I will now delve into critical areas that the ministry has embarked upon, and have made great achievements within the past year. I wish to speak to matters pertaining to COSTAATT. COSTAATT was largely established as a community colleague to provide access to education of students from lower income groups and households.

In 2003/2004, COSTAATT enrolled a total of 6,120 students in its associate and other programmes and produced a total of 430 graduates. The Government's evaluation of COSTAATT, its plans and programmes pointed to the need for a huge injection of financial capital to drive its infrastructure, its curriculum and human resource development.

In recognizing, Mr. Vice-President, that tertiary education environments need to be equipped with the most appropriate and modern resources for effective teaching and learning, this Government took the decision to deliver financing mechanisms to ensure that COSTAATT campuses and its associated facilities are well equipped. As a whole, COSTAAT was allocated \$0.4 million in the PSIP for development of its master plan for upgrading the institution, and \$6.5 million for provision of its financial aid programme.

The ministry supported a position for COSTAATT and other institutions such as the John S. Donaldson Technical Institute, the San Fernando Technical Institute, and Eastern Caribbean Institute for Agriculture and Forestry for infrastructure upgrade.

Mr. Vice-President, there were several critical issues with respect to these campuses and the ministry has worked assiduously to expedite them. The issues include a need for:

- a. the reintroduction of the NEC craft and technician programmes;
- b. an enhancement of the quality of programmes offered toward accreditation;
- c. the refurbishment and expansion of administrative offices;
- d. staff resource facilities;
- e. laboratories, classrooms, dormitories food and service facilities, cafeterias and libraries;
- f. outfitting of laboratories with modernized equipment;
- g. the introduction of computers and other hardware;
- h. improvements in the provision of utilities for staff and students;
- i. rehabilitation of land and other resources; and
- j. recruitment and training of qualified teachers and administrative staff.

8.55 p.m.

Within the context of these general issues the following were being identified:

\$14.4 million for upgrade works and acquisition of equipment for the labs and instructional technology, at the John S. Donaldson Technical Institute.

And, at this time, the NEC programme is back on stream and we saw with the stopping of the NEC programme a decline in the skills development of the citizenry of our country. Now, when you look around contractors are looking for skilled labour. I am certain if the last administration had continued the NEC programme, at this time, we would not have had a lack of skills within our country. We are also seeing at the John S. Donaldson Technical Institute civil works are going on and also new equipment to the tune of \$14.4 million is coming into the John S. Donaldson Technical Institute to modernize the institution so that the population could have access to tertiary education. There is also the upgrade of new equipment and facility at the San Fernando Technical Institute at this time.

Mr. Vice-President, \$1.5 million were initially allocated for proposed civil works at the Eastern Caribbean Institute of Agriculture and Forestry; an additional funding required in 2004 was \$4.7 million. Just recently, I had the privilege to commission new equipment and also facilities at ECIAF and if anyone should enter there at this time they would notice the drastic improvement in the campus infrastructure.

Mr. Vice-President, when I visited ECIAF earlier on in the year there were no washing machines for the students; there were no computer labs; there was no equipment to plow the land; the dorms were leaking; the kitchen was infested. Today, if you go there, there is a new 30-seater bus that can take the students on their field trips. In the past they had to rent a maxi-taxi and work their curriculum according to the fancy of the maxi-taxi driver. Today, they can work their curriculum according to what they want to do within ECIAF, within their system. They do not have to depend on someone else.

They had a 25-year-old dysfunctional tractor. Today, they are proud to have a brand new tractor. They have a 4 X 4 vehicle for security purposes and a 4 X 2 vehicle also for administration. Today, persons at ECIAF are very pleased to be associated with the Ministry of Science, Technology and Tertiary Education and also COSTAATT and they are now working, together with the ministry, to make ECIAF the flagship of the Caribbean.

In 2004, COSTAATT established its transition studies programme to cater for providing remedial education to academically under-prepared school leavers who

desire re-entry into tertiary education and has expended \$6.5 million for the year 2004 in equipment and training. More recently, COSTAATT has entered into an alliance partnership with UTT to provide UTT's transition studies programme. In 2003/2004, COSTAATT utilized a total of \$42 million for facility upgrades and acquisition of new equipment in order to improve its quality output.

Another achievement of the Ministry of Science, Technology and Tertiary Education is the Laventille Technology and Continuation Centre. Construction work commenced in 2003 and was completed this year at a cost of \$19.45 million.

The Laventille institute provides state-of-the-art technology education, and will provide the NESC Automotive Technician Programme, the HYPE Building Construction Technology Programme, the NSDP Jerningham Programme and other short vocational courses, primarily to residents in the community, in the next year. The Laventille Technology Center has enrolled to date 350 students and this institution utilized the sum of \$19.5 million for the completion of the project.

I now turn to the Government Assistance for Tuition Expenses Programme (GATE), another achievement of the Ministry of Science, Technology and Tertiary Education. In 2003/2004, Government had identified a sum of \$100 million to drawdown from the dollar-to-dollar fund for the administration of the Government Assistance for Tuition Expenses.

Mr. Vice-President, before, when the dollar-for-dollar programme was administered, only certain individuals would have been eligible to participate in that programme. An individual had to have a dollar in order to participate in the programme. Today, any citizen of the country can participate in the GATE programme whether you have the dollar or not. GATE is intended to provide for all students part of their expenses for their tertiary education. Enrolment in public tertiary education institutions will afford students no less than 50 per cent of their tuition cost with some students receiving up to 100 per cent tuition based on a Means Test administered by the programme.

Students attending private tertiary education institutions will be offered up to a limit of \$5,000 per year towards their tuition. As at September 2004, the ministry expended \$51 million for administration of student funding measures and for the academic year, 2005 approximately 16,750 students have applied for GATE at public institutions and 3,950 students at 19 approved private tertiary level institutions. A further 1,100 Means Test questions/applications are being processed for students attending both public and private tertiary level institutions.

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In 2003/2004 the TTHTI continued on its programme and institutional expansion drive. The institution increased its offerings to include the associate degree level programme and TTHTI developed a human resource information system which links its student resource to the hospitality and tourism industry in Trinidad and Tobago.

In respect of enrolment and graduation data, TTHTI recorded 429, and 83 respectively. TTHTI has projected an additional 90 students will graduate in November 2004. TTHTI has expended a total of \$8 million in its budget allocation for its continuing development works.

I now turn to Metal Industries Company Limited. In 2003/2004 MIC attempted to rationalize the skills training in helping youths prepare for employment by merging the same with the National Skills Development Programme (NSDP). The merger of the two programmes will achieve consistent standards and operating efficiencies as well as maximizing the benefits to be gained from the two training activities. The consolidation will also allow for internal articulation and also facilitate upward movement from basic craft training to full professional certification.

Mr. Vice-President, MIC enrolled a total of 2,159 trainees for the period 2003/2004. In 2004/2005, the total intake is estimated at 3,662 trainees. MIC to date, utilized \$10.1 million for operational and programme expenditure for the period and includes \$4 million for training subsidies under the development programme. This provided enhancement and construction of new machinery and equipment for enabling quality training, leading to the award of the Jerningham and other qualifications.

A total of \$14.8 million was expended on HYPE. The Youth Training and Employment Partnership Programme in 2003/2004 was allocated \$1.1 million for the purchase of equipment and \$3.9 million for the construction of the Youth Training Centre in Valencia. This training centre intends to facilitate skills development opportunities for youth in the area of Valencia and environs, and during the fiscal period 4,500 persons were trained in varying occupational areas. YTEPP's total expenditure under recurrent expenditure was \$29.72 million for the fiscal year and during the period YTEPP also commenced restructuring to meet a new strategic mandate for improved provision of its training toward the public.

At the Ministry, the Multi-sector Skills Training Programme was one of our new programmes and the Government has realized the need for adequately supplying skill resources to meet the rising demand for specific sectors of the

national economy. The global trend suggests that this country will do well to invest in multi-skills of our human capital and recognizing worker-competence through assessment and accreditation. The country is well aware of the opportunities for training that exist through a number of Government programmes namely, the On-the-Job Training, the retraining programme, Helping You Prepare for Employment and other related programmes within the Ministry.

To meet the global and national challenges before this country, the Government of Trinidad and Tobago has embarked on a new skills development initiative designed to train under-privileged groups in a multiplicity of skills for a wide range of key economic sectors where there are or are likely to be mass employment in the near future. Our intention is to qualify a competent labour force in critical industries such as in construction and later, in hospitality and agriculture.

Mr. Vice-President, the Multi-sector Skills Training Programme (MuST), is a work-based training programme designed by the Ministry of Science, Technology and Tertiary Education to facilitate the development of the skills of our citizens, including the country's marginalized vulnerable and at risk groups. The programme ensures that our nationals receive accredited qualification for self-employment or employment in lucrative industries. Phase 1 of MuST will ensure certification for the construction sector based on standards developed by the National Training Agency and the Joint Consultative Council.

At the end of training, trainees will be assessed against the National Occupational Standards of Competence for Construction Trades and they will be awarded the National Vocational Qualification Training (TTNVQ) by the National Training Agency. These qualifications will eventually have regional acceptance, especially in Jamaica and Barbados which also award similar technical qualifications, hence graduates will be able to move seamlessly within the Caribbean Single Market and Economy.

9.10 p.m.

Mr. Vice-President, over 10,000 persons are expected to be trained in construction between 2004 and 2005. To date, 782 trainees have enrolled in the programme and the Ministry has negotiated to facilitate this programme within Tobago, under the auspices of the Tobago House of Assembly. This will allow us to work with the people of Tobago to ensure that they have adequate opportunities for skills development and career advancement. Our emphasis in Tobago will address training in the area of the hospitality and tourism industry. Funds in the sum of \$3,976,659 have been allocated for the operationalization of the MuST programme.

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I now turn to the retraining programme. The retraining programme is targeted towards persons ages 30 to 45. It retrains displaced and retrenched workers who need to re-enter the job market with appropriate and marketable skills. During the period of the retraining programme, a total of 675 persons were trained in a wide range of occupational areas, including new programme cycles focusing on engine management and industrial maintenance.

Of these trainees, the programme catered for 46 retrenched Caroni workers as part of the divestment secretariat larger retraining drive. The programme has also been approved to deliver the TTNVQs in food preparation, garment construction, hairdressing, cake and baking decoration and, through the MuST programme we have also entered into partnership with the Tobago House of Assembly to ensure that retraining is provided to the residents of Tobago. A total of \$3,818,896 was expended in the programme for the last fiscal year.

In the On-the-Job Training Programme, in the 2003/2004 fiscal year, the OJT programme provided training placements for 5,927 trainees in 375 public and private sector organizations. This represented an increase of 44 per cent over participating corporations from the previous year. These trainees received skills training in 125 occupational areas.

In the last fiscal year, the national OJT programme began critically looking at enhancement of its programme to incorporate life skills training and certification by the National Training Agency. Among corporations retaining the OJT trainees, were TSTT, PTSC, NALIS and Channel 5 in Tobago. These have provided a significant number of opportunities for graduates of the programme, with TSTT and PTSC using the programme for all of their first level employees. A total of \$37,484,731 was expended on the OJT programme in the last financial year.

The National Training Agency (NTA), in 2003/2004, facilitated the establishment of the National Apprenticeship Programme. The apprenticeship programme is a structured programme which involves employers and apprentices to graduate in a dual training system that combines on-the-job training and formal instruction into recognized sets of skills training, assessment and certification. It involves the approval and registration of employers, training providers and the development of an employer database.

The National Apprenticeship Programme is established on an agreement with the Board of Inland Revenue, which indicates the mechanisms for the apprenticeship allowance system whereby employers are entitled to 200 per cent tax deduction.

Mr. Vice-President, in 2003/2004, the Ministry of Science, Technology and Tertiary Education has undergone numerous portfolio changes and recognizes its limitations. Given the strategic position of the Ministry and the pivotal role it has been mandated to perform in the development thrust of strengthening the human resource capacity as well as science and technology, the Ministry has been working to strengthen its own capacity to deal effectively with the various areas.

In this respect, there was an urgent need for the Ministry to be restructured and it has received Cabinet's approval for the streamlining of a number of existing divisions and units; also, the redesigning of some posts, the creation of new units and the hiring of key staff on contract to meet immediate product delivery and demand. In addition, terms of reference have been prepared to recruit an appropriate consultant to assist in the preparation of a strategic plan for the reconfigured ministry to ensure an efficient, effective and timely delivery.

Mr. Vice-President, the Ministry has been allocated \$1 billion for the 2004/2005 fiscal year for its total operations. This includes the sum of \$851.4 million for recurrent expenditure and \$160 million for the Public Sector Investment Programme (PSIP).

I will refer to the areas of focus of my Ministry in terms of priority policies for 2005/2007 outlined in the *Social and Economic Policy Framework* where the Ministry will ensure that we continue our path of consolidation in science, technology and innovation, and tertiary education and training. It is projected that 20,000 students would benefit by lower tuition expenses made possible through the GATE programme at public institutions in Trinidad and Tobago. GATE funding is being extended to tertiary level institutions in Trinidad and Tobago in 2005. An additional 5,000 students attending private tertiary institutions are expected to benefit from this.

The Funding and Grants Administration Division of the Ministry is currently designing a High Education Loan Plan (HELP) and this will be introduced in 2005. It is aimed at providing low interest loans for students pursuing tertiary education.

In respect of building and national capacity for investment in post secondary and tertiary education, the Ministry is currently designing the Education Savings Plan which will encourage parents to begin saving from their children's early years towards a tertiary education. This programme is expected to be introduced shortly after HELP.

At Port of Spain, Pointe-a-Pierre, Ste. Madeline and Point Fortin, the technology centres for upgrading were allocated \$900,000 and this will be used to upgrade all the centres to ensure that MIC trainees are trained within an appropriate environment with relevant and operational equipment.

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[SEN. THE HON. S. RAMROOP]

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On the construction of the facilities at Point Fortin Government Vocational Centre, at present a feasibility study is being undertaken for the upgrade of the centre with the intention that suggestions would be made to upgrade the centre to full technical institute level. The \$1.5 million allocated to the centre would then be used to offer the residents of Point Fortin technical training that residents in other parts of the country have long enjoyed.

Mr. Vice-President, the Government has identified education, as I said earlier, as its number one priority to meet the goals of Vision 2020. To this end, we have launched several social and development programmes geared to eradicate poverty and unemployment and to offer further chances to develop the capability of all citizens. The Ministry is treating with education for women and the underprivileged within our society as a priority.

We want to make certain that the financially challenged, the mentally challenged, the disease afflicted, the homeless, the incarcerated and other marginalized social groups receive our full attention so that they have equal chances to access social and employment programmes including basic education. The Government's aim is to ensure that no national is denied tertiary education or training due to the inability to pay.

Sen. Mark: Mr. Vice-President, on a point of order. I had no difficulty in allowing my colleague to go on at least until 9.05 p.m., but it is 9.23 p.m.

Sen. The Hon. S. Ramroop: Mr. Vice-President, I just need two more minutes.

The Government of Trinidad and Tobago is committed to the transformation of Trinidad and Tobago into a developed society by 2020; one in which all our citizens have equal opportunity to access acceptable standards of modern education and improving the overall quality of life. The Government intends to do all that is necessary to build and position this beautiful nation of ours as a modern competitive democracy.

I thank you.

Motion made and question proposed, That the Senate do now adjourn to Friday, October 22, 2003 at 10.00 a.m. [*Hon. J. Yuille-Williams*]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 9.24 p.m.