

*President (Absence of)**Thursday, October 13, 2005***SENATE***Thursday, October 13, 2005*

The Senate met at 1.30 p.m.

PRAYERS[MR. VICE-PRESIDENT *in the Chair*]**PRESIDENT
(Absence of)**

Mr. Vice-President: Hon. Senators, I wish to inform you that the President of the Senate, Sen. Dr. Linda Baboolal is at present acting as President of the Republic of Trinidad and Tobago in the absence of Prof. George Maxwell Richards who is out of the country. During the absence, the Vice-President would preside over the sittings of the Senate.

SENATOR'S APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from Her Excellency the Acting President, Dr. Linda Savitri Baboolal:

“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. NILEUNG ROLAND HYPOLITE

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 President of the Senate:

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) and section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you,

Senator's Appointment
[MR. VICE-PRESIDENT]

Thursday, October 13, 2005

NILEUNG ROLAND HYPOLITE, 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 13th day of October, 2005."

OATH OF ALLEGIANCE

Senator Nileung Roland Hypolite took and subscribed the Oath of Allegiance as required by law.

PAPERS LAID

1. The Value Added Tax (Amendment of the Second Schedule) Order, 2005. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
2. The Civil Proceedings (Amendment) (No. 3) Rules, 2005. [*The Attorney General (Sen. The Hon. John Jeremie)*]

Statutory Instruments Committee

The Attorney General (Sen. The Hon. John Jeremie): Mr. Vice-President, may I also advise that the Statutory Instruments Committee has considered both the Rules and the Order and found that there is nothing to which the attention of the Senate should be specifically drawn.

The Minutes of the committee has been circulated to Members.

APPROPRIATION BILL (BUDGET) [Third Day]

Order read for resuming adjourned debate on question [October 11, 2005]:

That the Bill be now read a second time.

Question again proposed.

Mr. Vice-President: Hon. Senators, the debate that was in progress when the Senate was adjourned yesterday Wednesday, October 12, 2005 will now be resumed. I will like to advise on the Senators who have already spoken.

On Tuesday, October 11, 2005 the Minister in the Ministry of Finance, who was the mover of the Motion, Sen. The Hon. Conrad Enill, Sen. Wade Mark, Sen. Mary King, Sen. The Hon. Danny Montano, Sen. Roy Augustus, Sen. Dr. Rolph

Balgobin, Sen. The Hon. Hazel Manning, Sen. Dr. Eastlyn Mc Kenzie, Sen. The Hon. Howard Chin Lee.

On Wednesday, October 12, 2005, Sen. The Hon. Rennie Dumas, Sen. Dr. Jennifer Kernahan, Sen. Prof. Ramesh Deosaran, Sen. The Hon. Martin Joseph, Sen. Sadiq Baksh, Sen. The Hon. John Jeremie, Sen. Dana Seetahal and when we adjourned yesterday, Sen. Althea Rocke was in the process of making her contribution.

I now invite Sen. Rocke to continue with her contribution.

Sen. A. Rocke: Mr. Vice-President, before I continue I take this opportunity to offer congratulations to the Trinidad and Tobago Football Team—[*Desk thumping*]*—*for their 2/1 win over Mexico and the resounding support of the public of Trinidad and Tobago. We wish them well on their continuing journey to the World Cup. [*Desk thumping*]

Mr. Vice-President, last evening when the sitting was adjourned, I had identified certain factors, which I believe have contributed to the breakdown of family life and its consequent impact on the spiritual and physical comfort of our citizens.

I had begun to propose a few recommendations that I hope Government may wish to consider including in their drive to preserve family life and provide each citizen with a better quality of life.

To recap, one of my suggestions was that an important cornerstone in the preservation of the family is the presence of the mother in the home. In this connection I had suggested the establishment of a professional motherhood fund. Such a fund would enable working mothers to stay at home beyond the normal three-month maternity leave period; thereby allowing them the time needed to provide the care and nurturing that children need during their formative years. The standard of living of the family should not be affected since the mother would be paid a salary during the period of her stay at home.

Of course, Mr. Vice-President, to make such a proposal workable would require issues such as the maximum period of home-stay, financing and administration of the fund, and temporary placement employment would have to be considered. The establishment of such a fund could provide an opportunity for very innovative and creative support of our family structures.

I had also suggested that in seeking to preserve family life, Government might wish to consider the introduction of an incentive that would facilitate the

establishment of a parent/child support system within organizations. Such a system would comprise two components: an after-school pickup service and a homework centre set up at the office and manned by a qualified professional. I am sure that most parents would not be averse to making a financial contribution to the organization's effort.

I wish to reiterate that such a system would reduce the stress that parents undergo when picking up their children at the end of the school day and then to return to work to try to put in an additional two hours while a tired and restless child waits to be taken home. This system, if implemented effectively, could contribute significantly to an increase in the productivity of organizations.

Government has proposed the transfer of cash through a Smart Card to about 60,000 families. In this regard, I have suggested that dignity and self-respect should be called to the less fortunate and vulnerable in our society by tying the provision of these cards to a certain number of hours of community and social service. For example, beneficiaries of Smart Cards could be required to pay monthly visits to incarcerated persons. The aim would be to provide some level of emotional and moral support to these unfortunate citizens who need to know that someone cares. Several operational and monitoring systems would need to be considered in this regard and it is not enough to dismiss it out of hand by saying it might not work.

In respect of the delivery of education as a significant pillar in ensuring a high quality of life, it is necessary that teachers be given due respect and treated as the high-level professionals that most of them are. After all, those are the people who are shaping the minds and attitudes of our citizens: our children, our future.

Serious consideration should be given to aligning very closely the remuneration and benefit packages of teachers with those of our public lawyers. Teachers shape minds and provide futures for our children, while lawyers prosecute and help to incarcerate them when they stray far from the teachings they receive at home and at school.

1.45 p.m.

There is this connection and I should like to endorse the recommendations made by Sen. Dr. Eastlyn Mc Kenzie, that teachers should be provided with full-paid scholarships to pursue further studies of qualifications allowing them the time needed to upgrade their skills and expertise, and not take away from the teaching time that they need to spend in school. They should be encouraged to upgrade their skills not only in the mainstream academic subject areas but also in

areas that would enable them to work with young people during the difficult stages of puberty and young adulthood, when they are most vulnerable to negative influences.

These are just a few of my suggestions which I wanted to share with you and Senators of this honourable House, as we work towards creating a better society. I urge the Government to walk the talk. Do not be perceived by citizens as paying lip service to the issues affecting our everyday lives. It is not about conspicuous expenditure, in putting out physical plant, buildings, concrete and mortar and fixing roads; it must be about fixing those things that would make a significant difference in the everyday life of each and every citizen of Trinidad and Tobago.

I thank you.

Mr. Vice-President: Hon. Senators, let me once again congratulate Sen. Rocke for a very good contribution. She did not sound as a newcomer and we hope to hear from her a lot more in the future.

The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo) : Mr. Vice-President, let me also join you in congratulating Sen. Althea Rocke on her maiden speech, and I have to agree with you she certainly sounded like a very seasoned debater. [*Desk thumping*] Let me also join in congratulating the Trinidad and Tobago Football team on their success yesterday.

Mr. Vice-President, it certainly demonstrates the talent of our young people, and this is what today I hope to elaborate a bit on. Let me also extend a very warm welcome to Sen. Nileung Hypolite on his first presence here in the Senate.

Mr. Vice-President, regarding the last speaker, a lot of focus was spent really on issues affecting the family and that was the essence in terms of the theme of this budget. The initiatives outlined in the budget zero in on these basic elements in order for us to ensure prosperity and ultimately our ascension to the standards of development.

So much has been said, both here and the other place, regarding state enterprises and now it seems that we have some new words, “special purpose state enterprises” and I thought I should spend a few minutes in clarifying the role. I know much has been said about the public service and there has been miscommunication, and as we continue to say the public service in earlier times was really established as an administrative body and in terms of executing and to this time we believe that is not the most efficient mechanism for executing.

Whereas we agree public service reform is essential, but in the meantime what do we do? Do you sit and wait while you establish these reforms? What happens to our various programmes? It was in this light that as a matter of fact, many of these special purpose state enterprises were established. And although we have classified 15 of these as special purpose state enterprises, in fact, only five new state enterprises were established with this mandate with the existing 10 being allocated some additional project management functions, and, therefore, collectively we refer to them as the 15 special purpose state enterprises.

The new ones included: National Infrastructure Development Company Limited, and again we indicated and I think we spelt out very clearly in earlier contributions the mandate of this state enterprise, very, very specific and very large projects. The second one was the Rural Development Company Limited and in that regard, we thought it necessary to be very focused in terms of rural development and we got very positive commendations because, for the first time, we were looking for some emphasis, in terms of rural development; the Education Facilities Companies which the Minister of Education addressed earlier in terms of being responsible for infrastructure; the Sports Company of Trinidad and Tobago where, again, the Minister would shortly be elaborating more in terms of the whole detailed policy in terms of sport. We talked about the East Port of Spain Development Company Limited where Sen. Roy Augustus seemed to challenge: Is it going to happen, and are we going to deliver? I am here to say, yes, it is going to happen and we are going to deliver!

What, therefore, makes these special purpose state enterprises so different? They are, in effect, what I call project management companies and, therefore, right away let me differentiate it from the previous state enterprises and those which we divested very early in the game were of a commercial nature.

Mr. Vice-President, I am making this distinction because in the early 1970s when we talked about those state enterprises and later on when we divested those, they were really those enterprises which competed with the private sector, and they were commercial in nature. For example, those enterprises which we divested were the Trinidad and Tobago Methanol Company, the Urea Company, Printing and Packaging, Trinidad Food Processors, Trinidad Cement Limited.

These state enterprises that we now have established—because they really are for project management—let me outline them. As I said, in addition to providing project management services, they would secure contractors and oversee the project execution, completion and certified expenditure. We expect these to be

lean and mean companies, certainly with a management structure and, therefore, they would be outsourcing all of these activities to the private sector. As a matter of fact, very early in the year when we first announced these enterprises the private sector was very concerned and rightly so. The Chamber invited me to make a presentation. On making that presentation, and when we outlined the whole operations of these special purpose state enterprises they were very pleased and happy to note that, really, Government did not intend to go back in terms of creating enterprises to execute these in terms of employing them, but rather outsourcing it to private sector. These are interesting times.

These are times when the private sector now has an opportunity to grow and, from all feedback, I think they are very excited. The question they should be asking is: Can we know in advance, and how can we work with them closer to ensure that they really are afforded the opportunity of maximizing all of these opportunities that are being afforded?

The other issue and I think it was raised also by Independent Sen. Dr. Rolph Balgobin, and I think maybe by another Senator is: How are we going to ensure transparency? How are we going to ensure that there is accountability?

Mr. Vice-President, there are a lot of—first of all, before we had the Companies Act of 1995, the common law position regarding the duties of directors had been very clearly established. Further to that, under the common law, directors owed both fiduciary duties of care and skill towards their companies. These duties have now been codified in the Companies Act 1995, and the liabilities of directors are very, very clear. We went a step further.

We have laid in this Parliament a White Paper on procurement. And in that White Paper, it clearly outlines the role in terms of how are we going to ensure that all officials, departments and agencies are answerable and accountable for any plans, actions and outcomes that involve spending public moneys.

Mr. Vice-President, in the White Paper the Government has a responsibility for establishing an independent regulator. And I want to refer to that White Paper and the responsibilities of the regulator which would be to monitor and audit the procurement process of spending agencies, to ensure that the procurement system conforms to the operating principles and, most importantly, report to Parliament on the results of its investigations on an annual basis.

It is expected that this procurement regime would come into effect in June 2006. In the interim, the Ministry of Finance has clearly outlined tender

procedures and these have, in fact, been accepted by all these state agencies. It therefore means the whole procurement process is certainly well outlined and, therefore, should augur well for these companies. Mr. Vice-President, you could appreciate the rationale for implementing and establishing these special purpose state enterprises with very specific mandate.

It is not my duty here to complain or to cast aspersions in terms of what other state enterprises did in times gone by. But when one looks in terms of Tidco and the road paving and other types of behaviours, one would see very clearly the fact that we have established special purpose state enterprises with specific mandate, we know what they are about and they would be held accountable for deliveries. Regarding these state enterprises, we should recognize and we should probably congratulate these state enterprises because yesterday there were some comments in terms of what has been the profitability of state enterprises.

There are 37 fully-owned state enterprises, six majority-owned, five with minority interests. The profits after tax from the state sector this last year was \$3.2 billion. [*Desk thumping*] The shareholder received \$811 million and albeit, you may have heard earlier, we enunciated 100 per cent dividend policy. In fact, we also indicated where those companies have capital expenditure projects, they would be allowed to retain those moneys. So what we had in effect, the difference really were retained by those state enterprises which have capital projects.

Mr. Vice-President, you should join with me in congratulating the National Gas Company which paid a dividend of \$475 million; [*Desk thumping*] the National Enterprises Limited, \$190 million; the First Citizens Bank, \$125 million; National Petroleum Company Limited, another \$11.9 million.

Really, the mere fact that we are here yes, that we had certain state enterprises, we did have some loss-making ones, but we need to determine where we are going. We are also publishing accounts so we recognize that boards of companies have responsibilities to share with the citizens of Trinidad and Tobago, the ultimate shareholder, how that company is performing.

Mr. Vice-President, last year for the first time, we would have published what is called the Supplementary Public Sector Investment Programme (SPSIP), the supplementary to the PSIP. In that, we anticipated spending approximately \$7.4 billion. At the end of the year, we actually had expenditure to the quantum of \$4.6 billion. or 62 per cent and that was, in fact, quite an achievement. The delay in the gas optimization plant at Petrotrin would have resulted in some shortfall in this programme.

2.00 p.m.

Again, Mr. Vice-President, as we can appreciate, the state enterprise sector certainly plays a very critical role in the way forward. I would also take the opportunity today to update this Senate in terms of where we are in the restructuring of Caroni (1975) Limited. I think now, with the recent ruling of the World Trade Organization, there is no argument that the restructuring of Caroni (1975) Limited was both appropriate and timely. We see that St. Kitts is now in this process, given the recent ruling of the World Trade Organization.

All of us would have witnessed, certainly, I would say it was an occasion that was significant, where we allocated and assigned 7,247 two-acre plots to the former employees. This was done based on a land use and capability survey and it was allocated over 15 locations.

Let me also say, proudly, that the process was transparent and very well received. You know, when we hear things about transparency and accountability and see this kind of demonstrated ability; when we see transactions like these that are very transparent, we stop hearing the “ol’ talk” regarding Caroni (1975) Limited. We must congratulate the people who have really worked on this. This process was supervised by Ernst & Young.

I want to refer to an extract of the debate carried on in the Lower House where the Member for Couva North asked the question:

“How can any of these peasant farmers...benefit from a budget proposal that said that there will be a subsidy of 50 per cent of the purchase price of machinery and irrigation equipment...for two acres of land? Will they buy tractors and other equipment to cultivate the two acres of land? What will they grow—cabbage and tomatoes? How much, with a measly two acres? They will not be able to afford a donkey cart. They have to till the soil with their bare hands; with forks and spades, hoes and shovel as peasant farmers do!”

How could anyone insult the intelligence of the people?

What is strange, in passing, is that a lot of effort was made in terms, not only of working with the former employees of Caroni (1975) Limited, but communicating with the wider public. We had auctions and in those auctions it meant that the former employees of Caroni (1975) Limited got priority in terms of accessing these equipment. As a matter of fact, 428 items of equipment were sold to these former employees.

In terms of detailing the agricultural incentives, we have a package of hundreds of incentives, not only to Caroni (1975) Limited workers, but to all farmers. The reason we have gone this way at this time is that we have spent much time working with the former employees of Caroni (1975) Limited to form cooperatives. We are recommending that, in order to obtain greater returns from their lands, that they form cooperatives. It was in that light, Mr. Vice-President, as you would appreciate, we also highlighted the various opportunities by way of incentives to these former employees.

We are also in the process of insisting that these landowners become registered farmers. I have to refer again to this article because it contradicts everything we have done with no substance at all. The Member for Couva North goes on, and it seems that he works on this premise. I always tell everyone that you can fool some of the people some of the time, some of the people all the time, but you certainly cannot fool all the people all the time.

It appears that the Member for Couva North continues to make statements. He goes on to comment:

“You have condemned these people and their generation to be the hewers of wood and drawers of water. But then, maybe that is the PNM’s intention. With no security of tenure, remoteness of the holding from the residence of the holder, no protection against praedial larceny...no roads, no traces, no water, no irrigation, this scheme may be described as ‘Putna’s poison’.”

Mr. Vice-President, he certainly seemed to have an obsession with Putna’s poison, but I will deal with him in another place and at another time. [*Desk thumping*] He went on to say that he would educate the hon. Prime Minister in terms of Putna’s poison. As a Hindu, he should know about the laws of karma, so I am not quite sure that he would be able to sit in a rocking chair.

I will deal with the issues at hand, and one of the issues at hand deals with security of tenure. We have said very categorically that these lands would be leased for a 30-year period with the option to renew for an additional 30 years. We have indicated even further that, in the case of the demise of that individual, it goes to his or her immediate spouse and siblings.

Mr. Vice-President, a lot of money and effort has been put in terms of infrastructure. At this time, we have an arrangement where we have indicated that Caroni (1975) Limited had already had a lot of infrastructure work. In the interim, we have assigned these agricultural plots. We have facilitated these farmers in taking immediate occupation. We have made a commitment and we

have already commenced infrastructure work. Again, there is a definite attempt in terms of misleading the people of Trinidad and Tobago.

As I said before and I say again, with regard to infrastructure work, we have already outsourced the contractors and they are well on their way in terms of that infrastructural work. So the issue at hand, as I see it, is that those on the other side seem to have a real problem in terms of the delivery by this Government. Of course, there have been certain articles and anyone can take those articles and flaunt them. There may have been three former employees saying : “I am not satisfied. I did not get my two acres in my backyard.”

We have gone a step further. We have not just allocated the lands and walked away and said, “Job well done.” We have a complaints desk. Beyond that, this Minister goes every Friday to Caroni (1975) Limited where we meet with all the former employees who may have concerns. We have been able to settle many of these queries and we are solving all of them in a very systematic manner. I take the opportunity to thank and congratulate these former employees. They probably have given me more than I have given them. They continue to work with us. They have been gracious and they have given us the commitment in terms of the way forward.

Let me add, in terms of these 18,000 acres of land which will be put to productive use, we have not just handed them the land and said let us walk away. We have added additional support. We have allocated in excess of 30 buildings to the Ministry of Agriculture, Land and Marine Resources. These 30 buildings will assist the extension officers in providing support and extension services.

I need to talk a bit on the training because this really went a long way in terms of the way forward. Part of the training was on how we move forward and this was really encouraging these farmers to go a bit further. Rather than remain as primary farmers, we have encouraged them in agro processing, in terms of adding value and, most importantly, in terms of entrepreneurship.

Mr. Vice-President, as I indicated, we just did not hand over the land and walk away. We are looking at more than primary farmers. I know that my colleague here will be talking on food prices, but let me add that we expect a revolution. We expect these farmers, based on their training and competencies and their ability to work hard, to take advantage of this opportunity and certainly we should be seeing, as soon as these are put to productive use, a reduction in food prices.

Regarding the allocation of agricultural lots, again, we used the audit firm Ernst & Young who verified the data in a very transparent manner. Those on the

other side—I know we are not here to talk about their internal election—seem to have had so many problems with transparency. If they had asked us for a little help, we would have been able to help them. [*Desk thumping*]

We intend to pursue the allocation of these residential plots in a similar manner to the agricultural plots. We have 22 sites with 1,279 acres of land, and again we say that the draw will be one for random—let me not use the word “lotto”. We are saying that everyone entitled to a plot of land will be getting a plot of land. The planned delivery is : 1,101 lots in 2005; 3,200 lots in 2006 and the balance of 2,404 in 2007.

Mr. Vice-President, we continue to support the process. On the training and retooling programme, we have spent \$12 million to date. Daily-paid employees trained to date are 2,845 and monthly-paid employees trained to date, 751. [*Desk thumping*]

Mr. Vice-President, a question was asked earlier in terms of the training done by this ECA and the reason for its termination. We had a budget of \$20 million and it was our humble view, given the kind of turnout that we were seeing, that we should maximize the benefits in terms of training and we sought to reduce the administrative cost. We believe that the administrative cost was high. The whole process was revamped and that is the reason we discontinued that service. We also wanted to have a one-to-one relationship with the former employees and we thought that it was in the best interest of the former team to handle and carry out the process in terms of that whole training exercise. As I indicated before, 425 items of rolling stock were auctioned to the former employees of Caroni (1975) Limited, so that in addition to their land, many of them would also be equipped for going in that direction.

I know there was quite a bit of controversy when some mention was made of what is called the oil dividend and what exactly was the subsidy at the pump. This oil dividend really is based on the price at the pump where citizens benefit from a price subsidy of \$1.70 per litre.

2.15 p.m.

Mr. Vice-President, as you could appreciate, we have continued to subsidize the price at the pumps but, with the escalation of the price of oil, you can imagine, the subsidy continues to escalate from just over \$900 million two years ago, to last year’s of \$1.4 billion. I think my colleague took some time to clarify that and it was well carried in the newspapers, so I would not add too much more to that.

Much has been said in terms of the new oil tax regime. For some time now, we have discussed the importance of earning our right economic rent from a depleting asset. Most significant of these has been the revision of the supplementary petroleum tax (SPT), which is now computed on gross crude oil income, which is after you have deducted royalty payments.

The real significance of this adjustment means that you can almost calculate your SPT revenue, if you know your production and sales. You are only allowed to deduct your royalty payments, which you can calculate. It means that this revenue item, when you look at it, be it at the end of the year, or it is published, it means that we are getting more transparent in terms of our revenue recognition. In addition to that, it means that we can plan ahead. We know the essence of SPT, which means that as the price of oil goes up, the Government benefits accordingly. It means the citizens of Trinidad and Tobago benefit. This has been significant also, as this SPT is based on a price of crude calculated on a quarterly basis. What this also does is that it improves the cash flows. As we all know, when you improve your cash flow, it results in a benefit in terms of income and bottom lines. This has been used universally, in terms of improving cash flows. In terms of tax collection, we too sought to improve it here.

The whole transparency, in terms of the new regime, certainly will allow us to ensure—it is simple to administer. It will provide a more predictable, stable and transparent revenue flow. As we said before, as oil prices increase, the Government will realize a greater share of that additional revenue. The increase or decrease in exploration and development expenditure will not have an effect on the SPT.

Before, as you know, you were allowed substantial deductions in terms of capital allowances, et cetera, and therefore, it meant your calculation of SPT was very anomalous, in that it was very difficult to determine what that quantum was. This has been a tremendous and significant achievement.

Probably what is even of greater significance—as we know, we talked about an oil economy; I think it was mentioned before by Sen. Mary King where she indicated that we should be now called a gas economy as a significant portion of our income is generated from gas. The most significant item here is that we are going to calculate our taxation of gas on fair market value. This concept, for the calculation of tax, is extraordinarily significant. The fair market value is arrived at using the Henry Hub price, or the price at the main port of sale and deduct what we need to deduct, which are the regasification and shipping costs, as they arrive at the Trinidad Port. We then further deduct the LNG plant cost and the pipeline

transportation cost, and we arrive at what is called the exit cost or the wellhead cost. This then, is the basis for royalties and taxes.

Previously, taxes and royalties were charged on a contract price, which did not always bear a relationship to the market price. A fair market value price means that it will always ensure the price would be one at an arm's length transaction. Irrespective, whether you sell to a sister company or to a related party, the price on which we will be working and calculating our tax will be based on a fair market value.

Mr. Vice-President, we also intend to create an appropriate balance in the allocation of future gas sales between LNG and gas sold to the local downstream energy sector. As I said before, it assumes that all contracts along the LNG value chain should be based on the fair market value.

We also—as was mentioned earlier when the budget was presented by Sen. The Hon. Conrad Enill—talked about working and negotiating with the players in the market, in terms of capturing further value along the value chain and in terms of ensuring that we have a guaranteed work programme over the next three years, to ensure that we have some commitment to our revenue base.

I thought I should spend a few minutes to respond to some of the concerns which were highlighted earlier. I want to thank particularly, Sen. Mary King for her very detailed exposition on the Dutch Disease. I am no economist, but certainly from what I know, the Dutch Disease really results in the increase in the activity in one sector, which leads to an increase in the prices in the other sector, such as the increase in wages in the other sector and has a trickle down effect, which leads to the erosion of competitiveness in the other sectors. Certainly, this is of some concern. Let me add that I want to highlight some different thinking on some of the issues as I believe, one can easily fall into error if we apply the concept narrowly to the modern-day Trinidad and Tobago.

Regarding the Senator's assumption with respect to the current level of increased activity in our energy sector, this requires some revision; as her warnings were based on the premise of the oil prices, which declined drastically during the period 1981—1982, as was mentioned in the budget.

Although one may say as Ministers and Government leaders, we cannot be optimistic and that we need to understand how the market is going, all the

feedback and international projections we have had seem to suggest that the price of oil is expected to average at a minimum of US \$50 or thereabouts, for the next 10 years. Be that as it may, even if we allow flexibility there, at this point in time, compared to the 1980s, we now have a more diversified economy. We have to agree that our gas sector has assumed the dominant position within the national community. As I said earlier, we can now call ourselves a gas-based economy.

In addition to that, we have also seen some level of proliferation of downstream petrochemicals and other gas-based industries, which would not eliminate, but minimize some of the effects of the Dutch Disease.

I think the Senator also indicated that now we have averaging approximately as high as 165,000 barrels of oil per day and, of course, an increase in gas production. Again, in the 1980s, we were really an oil-based economy.

We are no different from Norway in 1982, or Indonesia in that same period. Both countries escaped the adverse conditions of the Dutch Disease. In the case of Norway, the economy was sufficiently diversified and in the case of Indonesia, good public policy and a flexible exchange rate provided protection against the ravages of the Dutch Disease.

Mr. Vice-President, Government recognizes that the share of income from oil and gas, which remained in this country, was less than adequate. As I said earlier, we revised the petroleum legislation, which was enacted in July and we anticipate an additional \$1 billion in revenues. We have now established this new tax regime on gas, which should provide us with an additional \$2 billion.

I also want to indicate that during the period 1981—1982, we were what may have been considered a closed economy. Our manufacturers were highly protected. Today, in the context of an open economy, our manufacturers are adjusting continually and successfully to the pressures of foreign competition. For that reason, and one of the concerns of increasing local prices, I am putting forward that domestic prices generally reflect international inflation and we should therefore not prejudge or undermine the dexterity and innovativeness of our local manufacturers. We have no choice but to adjust and compete with our foreign partners in terms of purchasing. What I am putting on the table is that this will determine the final price.

Our manufacturers are very innovative. Our products continue to dominate the shelves of supermarkets, not only here in Trinidad and Tobago, but the Caribbean. What I am putting forward on the table is that we believe although we need to

diversify further from the energy sector, our manufacturers have demonstrated how robust they have been, in terms of their operations.

We also need to look at the conditions which enabled the rise of domestic prices in the 1970s and 1980s, which no longer exist. As I indicated, we have a free market and virtually a free movement of goods.

I certainly concurred with most of the other comments of the goodly Senator, but I wanted to share those and to agree with Sen. King, on what she referred to as the three basic pillars of economic growth, which are the existence of a good macroeconomic environment, strong public institutions and a level of technological readiness. I certainly support her comments in terms of those three pillars.

Mr. Vice-President, I think I should respond to some of the concerns raised by Sen. Wade Mark, although I do not see him present. First of all, I want to mention the issue regarding Gilbert Park. As we could appreciate, Caroni (1975) Limited first of all had funded the Wanderers Cricket Club when that entity was in existence. When we began the restructuring of Caroni (1975) Limited, all these facilitates would have been left unattended, if it meant that we did not take time, in terms of putting systems in place. Caroni (1975) Limited entered into agreement with John-Williams and Company for the facility at Gilbert Park. The arrangement was that it would continue the operations there, without any cost to Caroni (1975) Limited and that they would continue to support the Wanderers Club and that facility would continue to be made available to the people of Trinidad and Tobago. In fact, this was what is called a win/win. Subsequent to that, very recently, a memorandum of understanding was entered into with the Ministry of Sport and Youth Affairs, where Gilbert Park has been transferred to the Ministry of Sport and Youth Affairs.

I also took some time, a while ago, to discuss the ECA's role and indicated that, when we reviewed the whole cost of the structure, we wanted to maximize the training that these former employees would receive. Therefore, we discontinued that arrangement, to facilitate a closer working relationship with the former employees and Caroni (1975) Limited. We felt that would have maximized the training opportunities.

2.30 p.m.

Mr. Vice-President, regarding the rental of those buildings, let me add that those buildings were rented at \$17,200 a month and some of the cost was offset in terms of repair work to those buildings.

Yesterday, Sen. Prof. Deosaran made mention of his concerns regarding the Auditor General's Report of the Vehicle Maintenance Company of Trinidad and

Tobago (VMCOTT). The newspaper report states that there was rampant corruption and wastage. Mr. Vice-President, this report was in fact laid in Parliament. Again, I want to let you know that this report was for the period August 2000 to September 2004.

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. [*Hon. J. Yuille-Williams*]

Question put and agreed to.

Sen. The Hon. C. Sahadeo : Mr. Vice-President, thank you. Let me say at the outset regarding VMCOTT—I am not here to justify the existence of VMCOTT—that it was established as a maintenance company. I know for a fact that the present board reviewed the mandate and recognized that as a maintenance company, it did not really have much of a future. They have brought to the table a proposal for fleet management. I am just saying that in the first instance, the basic underpinning of the company may not have been the best, in terms of just letting it be a maintenance company.

I do not want to continue an argument and say what are the exact items that were outlined in the Auditor General's Report, but I have done my checks with the company and, certainly, I believe the time line was not properly outlined and, therefore, it appears to cast some aspersions on the current board.

Mr. Vice-President, let me state very clearly that a lot of these payments were made during the period prior to 2003. I have asked for a more detailed analysis of some of these concerns that were raised in the Auditor General's Report.

One of the items raised was where was the money actually spent. They had to remove the police booth in order to do some renovations at the VMCOTT office and they had to refurbish that facility. One of the expenditures that were outlined by the goodly Senator was, in fact, to restore a police booth because it had to be removed in order to do some rectification work.

The point I am making, as I said earlier, is that we certainly have many state enterprises that continue to demonstrate the highest level of accountability and profitability and we continue to support many of these programmes.

I would just talk a little on one of two of the fiscal measures. One of the concerns raised had to do with the increase in personal allowances to \$60,000. Let me state very clearly that when this whole issue came up what we really did is

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what is called international benchmarking. Internationally, it has been agreed that personal allowances should be per capita GDP, and per capita GDP means that the \$60,000 personal allowance allows us, in terms of our net take-home salaries, to be competitive on an international basis. The major rationale we looked at was to ensure that the take-home pay, in the hands of the citizens, be increased.

I heard Sen. King—I am not sure if it is here or elsewhere—say what this is going to do with inflation and how it is going to affect the country in the long term. As I said before, in another place, inflation would always be a concern of growing and developing countries. As you continue to expand and grow, the issue is: How do you manage runaway inflation? You are going to have some inflation and the Central Bank has an important role to play, in terms of how it manages the liquidity of the market but, more importantly, is how we control inflation. Mr. Vice-President, I think as a responsible Government, we have continued to demonstrate how we are going to control inflation and the measures that we are going to take.

In addition to—let me add what I have not been hearing—the \$60,000 personal allowance, there is also an additional \$12,000. It means that if you invest in a personal pension fund or an annuity, you can get an additional \$12,000 in terms of allowances. So, really, you can have an income of \$6,000 per month and pay absolutely no tax if you were to invest.

As a government, we have a responsibility to encourage savings. What are the vehicles that we are going to promote in terms of savings? The private sector, at this time, has an opportunity in terms of how it is going to encourage saving and how they are going to take advantage since savings is correlated to investment.

The State has a responsibility for retirement. Similarly, internationally, the response has now been that it is time we prepare now for our retirement. I am hoping that more and more—particularly the more learned persons—would start encouraging our citizens to say: We now have more money in our hands, so how much are we putting aside for our retirement?

I agree that it is difficult to live on a pension of \$1,150. I think my colleague mentioned earlier that \$2 billion was allocated for both the government pension and the old age pension. That is a sizeable amount of the budget that goes into pension.

I am optimistic that with these increased measures we should see a higher level of savings and investments. What we should also see is more people being

able to afford housing. We have also reduced the interest cost, in terms of getting a mortgage, and we have put several new measures in place in terms of owning your own home.

In addition to this, many comments have been made that the middle income persons seem to benefit. At the same time, what we have done is brought to bear in the tax system, benefits in kind to ensure that we have a more level taxation and that nothing escapes the tax net.

Mr. Vice-President, I think I have tried to outline just a few of the issues which have been enunciated in this budget. You would agree that this budget certainly addresses basic needs and we have done that. We have built on all those pillars that we have identified earlier. It is up to us and all the citizens of this country to take advantage of the many opportunities which continue to come before us.

I saw this budget as one in which the citizens of Trinidad and Tobago got the opportunity to say: “When I get the income in my hand, how do I spend it? Now I get the opportunity to determine where I put my resources and where do I see the way forward?”

I just want to conclude by thanking the various personnel from the Investments Division who put together parts of this budget, particularly the supplementary PSIP. Thank you very much. [*Desk thumping*]

Sen. Robin Montano : Mr. Vice-President, thank you. I have sat through this budget debate. First of all, I listened to the budget statement presented by the Minister of Finance; I listened to the budget debate in the Lower House; I listened to the budget presentation of the junior Minister in this Senate; and I listened to the speeches of the Government Ministers with a sinking heart. There was not one government Minister who said anything new, from the Prime Minister down. Except for the names and a few other changes to the figures, you have more or less the exact budget of last year and the year before—the same slogans and the same everything.

When I listened to the Government Ministers speaking, I wondered what country they were talking about. The country that I live in and what I know of Trinidad and Tobago—the country that I meet people in every day—is a very different country from the one that they have painted.

For example, when you listened to the Minister of Education, all is milk and honey, land of roses and perfumes. I mean the education system is humming along beautifully. I talked to my housekeeper who has an 8-year-old daughter

going to school and she complained about inequity in the system—starting with the 8-year-old girl having to take all of her books every day to school. Why? I am just using the little things to deal with the big things. These are little things that could make a heck of a difference in the ordinary person's life; in the life of the ordinary man, but you do not get it.

I see things for example that there is going to be a recapitalization of BWIA of approximately US \$250 million. This is needed to restructure BWIA into a regional carrier and I have to ask, why?

For example in the US the latest regional carrier which was formed as a startup is the successful jet blue. They were capitolized [sic] at US 35 mill of private financing which allowed them to operate a fleet of 12 new airbus 320...which were leased in the first year of operation...

The US D.O.T requirements for a new carrier is funding the startup cost which includes the costs for obtaining its operating certificate plus 3 months of operating capitol [sic] without considering any sales revenue. This formula adjusted for local TT wages in T&T is less that USD 25 mill for a 12 brand new aircraft startup.

Why do you need USD 250 mill...?

Does the additional capitol they are projecting to be used to settle all the BW old debts, or used to subsidize the fares in order to bankrupt competitors, specifically charter operators?

I wish to make the point that chartered operators bring into this country between 40,000 to 50,000 persons—mostly visiting friends and relatives to Trinidad and Tobago—at an average of US \$1,000 per passenger and that is TT \$6,300.

There is a disposable income in the economy using that multiplier of US \$50 million multiplied by six and that is \$300 million a year yet, you get the very real impression that the Government is at war with the charters and I have to say why.

Sen. Joseph : Where did you get that impression?

Sen. R. Montano: I got that impression from things that your Prime Minister has said. I listened to Minister Sahadeo—unfortunately, I came in halfway through her contribution, but I made notes of what I heard. When I came in I heard her saying that if we on this side had asked for help in our recent internal election, they would have been able to help us. God forbid. There is no way that

we are going to let you bring hooligans, thugs and criminals into our party. You can keep them. [*Desk thumping*]

2.45 p.m.

She went on to say everyone would be getting a plot of land for agriculture and she gave the figures—yeah right. Two acres, subsistence farming.

Hon. Senator: Right now they have none.

Sen. R. Montano: Two acres; but you have no plans for cooperatives. The two acres; others have said it and I am not going to bother to go into it. Others have said this is not good enough; this is not going to create a farming industry; this is not going to promote agriculture. Tell you what, if it does in one year's time, I would resign my seat.

Hon. Senator: Resign your seat?

Sen. R. Montano: My Senate seat, yes. Provided always that if it does not and if I am right, all of you quit, all of you resign, I throw that challenge to you. But you would never take it, would you? Instead what you want to do is throw picong, instead of listening to serious points; go ahead, laugh and joke while people are being killed, and I am coming to crime in a moment.

Sen. Dr. Saith: It is not yours.

Sen. R. Montano: Yes, I do, a Senate seat.

Hon. Senator: It is not yours.

Sen. R. Montano: Actually it is mine. It is mine, the same way that seat is yours, and it is yours until it is taken away from you; just as this is mine until it is taken away from me. [*Crosstalk*] Minister Sahadeo criticized Sen. Mary King's warnings about the Dutch Disease. She said, in essence, that Sen. King's warning was based on previous declines in the 1980s, and we must understand where the market is going. She said we must understand that we now have a diversified economy. Really? Last time I saw the figures, if you took away oil and gas the so-called diversified economy is in deficit.

Sen. Sahadeo: Mr. Vice-President—

Sen. R. Montano: No you sit, I am talking, I am not giving you way; I am not giving way. You sit; I have had enough of you all.

Mr. Vice-President: Sen. Montano.

Sen. R. Montano: Unless it is a point of order, I am not giving way

Sen. Sahadeo: He is misquoting.

Mr. Vice-President: Please, I would not permit the debate to decline into this kind of raucous behaviour. If it is a point of order—

Sen. R. Montano: Of course, I will give way; if it is not, I am not.

Sen. Sahadeo: He was misquoting.

Hon. Senator: And misleading the Senate.

Mr. Vice-President: The contention is that you are misquoting. She is going to clarify.

Sen. R. Montano: To my knowledge, the President of this Senate has ruled that that is not a point of order. Now, I am very happy if that is a point of order and I will accept it, but in future when we tell them that—

Mr. Vice-President: Sen. Montano, I am on my feet. Sen. Montano, it is usual that speakers on opposite sides would clarify points if they are mistakenly uttered, okay?

Sen. Seepersad-Bachan: You never allowed it and the President never allowed it.

Mr. Vice-President: If the President had said that it is not a point of order, maybe it really is not. But it is usual for people to do that and in the spirit of a good debate, people have always given way. I would not like us to fight over giving way. All right? [*Desk thumping*] Proceed with your contribution.

Sen. R. Montano: Mr. Vice-President, I used to give way, but when I turned around and ask them to give way, they never gave way. If they want to play it that way, fine. I would give way provided always that they give way, but let them start giving way first. Until they start giving way, I am not giving way again; I am sorry, I have had it. Let me continue.

You said that this economy is not a diversified economy—yeah right!

Sen. Seepersad-Bachan: She said it is.

Sen. R. Montano: She said it is a diversified economy. The last time I looked, as I said, the manufacturing sector basically is in—if you take away oil and gas, we are in deficit. She went on to say that our domestic prices reflect international inflation. Now, that is simply not true.

The *Guardian* newspaper has a correspondent called Peter Quentrall-Thomas, who a few weeks ago in the *Sunday Guardian* showed—unfortunately I did not bring it but—where food prices in the United Kingdom and the United States have gone up by something like 5 or 6 per cent in the last three or four years, and he showed where our food prices in the last three or four years have gone up by approximately 100 per cent. So do not come and tell me that our domestic prices are reflecting the international prices, they simply are not.

Now I turn to what I really wanted to talk about and that is the question of crime. The Government's case in the latest budget is not that simple, and as is often the case with this Government, no one is asking the right questions, especially on crime. The right questions in the case of crime are not whether the money should or should not be spent, or whether foreign help should or should not be brought down.

The right questions are : One, do the Prime Minister and Minister of Finance, who is also the Chairman of the National Security Council, and his Minister of National Security fully grasp the situation that the country finds itself in today with regard to crime? Two, will the proposals in the budget help or not?

Mr. Manning and Minister Martin Joseph are obviously distressed to some degree by the crime situation, and their obvious ineptitude in dealing with it, being so brutally exposed. But the relative lack of emotion in their remarks raises the possibility that they really do not fully appreciate the sense of frustration and fear that the citizenry is experiencing now. They have yet to experience anything like the sense of horror that most people feel over the horrendous crimes now taking place. For example, the kidnapping/beheading of Dr. Eddie Koury; the senseless murder of seven people in one day; the kidnapping of a 15 year old girl, and the police taking nine long days to visit the family, and so on.

They have shown little empathy with a population in desperate need of protection, waiting in vain for the Government to come to its aid. The truth is that they really give the impression that they are not as troubled as the rest of us are. Is what they are doing actually helping? Their statements in and out of Parliament almost appear to be photo-opportunities, meticulously planned to telegraph the image of a government in control. But they have bungled and continue to bungle the management of the crime situation so badly, that Mr. Manning certainly does not come across as a hands-on, caring leader, and thus give confidence to the population. As for the Minister of National Security, well frankly, Mr. Vice-President, the less said about his leadership skills, the better.

Other questions arise: Have Messrs. Manning, Joseph and others learned anything from what has happened in the last 12 months; the last six months; the last six days? Have they made any decisions based on what they have learned? If so, what have they learned? Does the population feel reassured that Scotland Yard and the FBI are coming down? Are they—that is to say the foreigners—going to be given full cooperation by the senior officers of the police force? Or are they going to be allowed to be messed up again, the way that Scotland Yard was messed up the last time; and by police officers who have a vested interest in making sure that business as usual, is more than just an empty phrase? It seems to me that these are reasonable questions.

I listened to Minister Martin Joseph yesterday, and I am reading from my notes. He said: "The situation that currently faces us, is important. The impression is being given that Government is not concerned—not true". I just told you about the impression that they give. He said it is not true. "We have recognized that there is a problem and two years ago the Prime Minister spoke about it."

Two years ago, the Prime Minister spoke about things like collateral damage; crime being temporary. When the kidnapping started, when it was started by Mark Guerra, who was photographed on his platform a week before he was murdered, is it not curious that only a certain type of people are being kidnapped? That is what the Prime Minister recognized two and three years ago, not what he is saying now. He is coming home to roost. "It is understood", the Minister says, "that the current level of criminal violence is the most important priority"—Glory Hallelujah! You have now realized this? "We recognize our responsibility"; well that has to be the statement of the decade. Because as I understand it, responsibility is a two-way street. Responsibility means taking the credit when things go right and taking the blame when things go wrong. I have no doubt that if—pray to God that this could happen—crime were to go down tomorrow morning, who do you think would take the credit? "Ta da ta daa!" Guess who? The keystone cops.

Sen. Dr. Saith: Ramesh.

Sen. R. Montano: No, Ramesh would not take it, you would take it; Minister Joseph would take it; the crime minister, I am sorry, the Prime Minister would take it; Brig. Peter Joseph would take it; the Commissioner of Police would take it; they would all take the credit. So, why can they not take the blame? When do you take the blame? When do you say okay, we have failed?

I asked Minister Kenneth Valley on a television programme last year with Sen. Mary King: Is this a good budget? That is the budget last year on crime. Yes, he says, the budget would deal with crime. So I said: "Very well, what are your benchmarks? How is it going to deal with crime? Will the murders this coming year be less or more?" He would not say. I said: "Well, if the murders reach 300—never dreaming that it would—would you say that that was acceptable or not? He said: "Well, I cannot say anything about that". Why not? What are your benchmarks? What if murders reach 400 next year; 500, 600? When do you take responsibility? [*Desk thumping*] Because it seems to me that all you all like to do is take credit like the Minister of Education. Oh, we are doing this; we are doing that; we have not built any schools, but we are doing a lot of things. Little children suffering, but no, no, no, the great PNM Government; look at all the great things we are doing. When do you take responsibility? Answer—you "don't!" But they are very good at mouthing platitudes meant to calm the population, calm it down, but responsibility, that is a laugh.

The United Kingdom, the Minister said, is seeing a displacement of crime coming south in the Caribbean, and it is necessary to put systems in place. You hear the language? It is necessary to put systems in place—beautiful management language. What systems? Then he says, listen to this : "Where do you strike the balance between what you say and what you do not say? Because if you say too much the criminals get wind of it." I will tell you where you strike the balance. You strike the balance by performing, and if you cannot perform, you get out; you leave; you resign, or you get fired. Call the general election, the population would fire you now.

He says there is no quick fix for crime; I agree with that. But you know, a reasonable question to ask is: When do you expect it to get better? When? Tomorrow; next week; next month; next year? Is the murder rate going to continue to climb indefinitely? What are you doing? But you stand and mouth the platitudes. Then he says here : "There is an international criminal network and this is what is causing the increase in crime". Well that is not exactly true, unless you are talking about the Jamaat al Muslimeen whom you embraced. Yes, we know about the international connections, but you embraced them and you used them to defeat us at the last election; to steal the election from us. "Criminals gangs are kidnapping to earn money for their criminal lifestyles." So when did you figure that out? You now realized that?

3.00 p.m.

Mr. Vice-President, then we come with a frightening statistic on drugs and the statement about the interception of the boat and the drugs on Monos Island. Do you know that my information is, that if it were not for the French Navy capturing that boat, Trinidadians would never have done anything about it. Never! And it was not a question of the boat chasing the drug dealers. It was the French Government telling the Trinidad Government that you have got a problem on Monos Island and therefore they had to deal with it.

And then “we need a breathing space” to stop drugs from coming in, a need to reduce the inflow of drugs and guns. So we are talking to the Venezuelan Government and we need tougher laws. In other words the Venezuelan Government, we must rely on them, to do or not do as the case may be, their work in order to make our lives easier. That is governance for you; that is taking responsibility. And we need tougher laws. What good are tougher laws if we are not catching the crooks? Let us have the laws now; anybody caught just smoking a cigarette gets hanged in the square, but catch the person. I mean, catch them.

We are still grappling with the removal of the guns from the streets, but why are you so surprised, when you embrace these so-called community leaders in the URP, as the Minister said? You embrace the community leaders, they come down, use the money to buy guns, drugs and getaway motor cars, and then they now start making a fortune with the kidnappings and with the drugs and using it to buy more guns and more drugs. Then you say, we need to get the guns off the streets. And the problem is not confined to us alone. He says, in the United States and the United Kingdom they have the same problem. But you know what; guess what, a dollar or a doughnut to anybody on the other side who guesses. In the US and the UK they are catching the crooks; so they have the same problems, yes, but they are catching the crooks. So who takes responsibility?

The Minister spoke about the detection rate for homicides being a woeful 16.9 per cent. What have we been telling you? Now again, when do you take responsibility? The Minister of Housing said in another place that the Commissioner of Police should be fired, I agree with him. I agree the Commissioner of Police has turned out to be totally and completely incompetent, but—

Hon. Dr. Rowley: Would the Senator please give way?

Sen. R. Montano: What for! [*Interruption*]*—*when you are dealing with this, I agree the Commissioner of Police is the one who has responsibility, but so does Brigadier Peter Joseph, so does the Prime Minister in his capacity as Chairman of the National Security Council and so does the Minister of National Security.

Because at the end of the day, just ask yourself—if you ever want to understand a problem go back to basics—if you are going to take the credit you must take the blame; and if you are going to take the credit tomorrow morning, if things go right, you must take the blame when things go wrong. Now, what do you do? You get fired if you do not. Ask the big jefes in the private sector, men for example like, Mr. Andre Monteil, ask him what he would do with an incompetent manager. Would he keep him on or would he fire him? Mr. Monteil is well known to be a shrewd businessman and I use the word “ruthless” not in an unkind sense, but in the sense of no nonsense and that is true.

Then he went on about measures being put in place to beef-up training—good grief, four years later, that is what you are doing? And then he talks about investigating police behaviour is not a priority. Well we know that. Everybody knows that the police officer referred to in the *Guardian* report is Deputy Commissioner of Police, Allard. Everybody knows that and everybody knows that nothing has happened. We have seen a serious accusation, followed by a serious denial, and full stop. The *Guardian* has not retracted its story, so the matter just rests there. It just rests! Now if the Deputy Commissioner is guilty he ought to be dealt with. If he is not guilty he ought to be exonerated, but the accusation is left there, hanging. All we have got is a serious denial, but you realize, Mr. Vice-President, that the serious denial, if he is guilty means that we have a real serious problem. Because it means that top men in the Government are in cahoots with a crook. That is what it means, but you have nothing! Then what do you have? Approximately a week later you have a most curious shooting in the Anti-Kidnapping Squad where a member of the Anti-Kidnapping Squad gets shot, accidentally, it is reported, not once but nine times. Nine accidental bullets go into this man's body!

Sen. Mark: That is murder.

Sen. R. Montano: No. It is not murder. It is an accident. It is an accident that has happened one time, two times, three times, four times, five times, six times, seven times, eight times, nine times! Good grief! And that is it.

Sen. Seepersad-Bachan: It was an accident.

Sen. R. Montano: It was an accident. I have told this Senate before that Deputy Commissioner of Police John Grant is an accessory after the fact to my cousin's murder. Nothing has been done. I have taken—and do not let me go into my cousin's murder, but nothing has been done about that, for example, and investigating police behaviour, so we hear this.

Then we hear the same claptrap about the Police Reform Bills, “oh bring in the Police Reform Bills”. I have said it once and I will say it again a million times. The Police Reform Bills, basically give the Commissioner of Police powers that have been assigned to him since 1975 by the Police Service Commission. He has all these powers that are contained in the Bill that have been assigned to him by the Police Service Commission. He has had these powers since 1975. The Police Reform Bills do not do more than that, but what they do, is that they make the Commissioner of Police responsible to a politician—the Prime Minister—and that is why we objected to it then, and that is why we are objecting to it now, and that is why so long as I sit here I will object to it. [*Desk thumping*] And when I am outside in the country I will object to it. The Police Reform Bills will not fix the problem. Wake up and smell the coffee and do not be dishonest about it.

He said too heavy a weight is being placed on seniority. Well, tell me about it. I know of a police corporal who is a qualified lawyer; he qualified eight years ago and he still has not been promoted. Ask me what ethnicity he is and you know what answer you will get. Ask me, you do not want to, okay. And listen to this one, the Minister said, “Some persons were involved in crime and they approached the Government to help them out of crime,” and I am now using my words. No, my notes said, “We said fine, we use the URP to help them, but once we found out that they were using URP moneys, we moved against them”. Yeah right, two years later! But you know what struck me was the absolute hypocrisy. Because I was involved in a recent commission of enquiry in which there was a young Tobago man who had embarked on a life of crime. Started off when he was 14 years old, from 14 years to 20 years he fell afoul of the law something like seven times, but since the age of 20 years and he is now 30 years, he has not been in jail once. He turned his life around, but a certain Government Minister called him all kinds of names, ranging from jailbird to crook and everything else. Do not mind that for 10 years after paying his debt to society, because the man is now 30 years old, nothing happened.

Then I turn, Mr. Vice-President, to the Attorney General. And he went on about the Judiciary and the excellent relations that he has with the Judiciary and all the rest of it and he even quoted the Chief Justice as saying about the relation being good this year and all the rest of it. He spoke about professionalism, and I would hope about professionalism—but everybody knows about the raging controversy that is the case of the proposed impeachment of the Chief Justice. Everybody knows about that. We have all read the affidavits in the newspapers and we all have formed our opinions. I would not go there for obvious reasons,

the matter is sub judice, but it did strike me that the Attorney General's comments were hypocritical, to say the least. And he went on about anticorruption and he said that there was no one solution to the problem of crime and that the office of the Attorney General is in partnership with the Minister of National Security and they have now found \$27 million under management.

I presume he is referring to the various investigations and the well publicised Piarco enquiry, but he has given the impression that \$27 million has been recovered, and the truth is, \$27 million has not been recovered. Nobody has been found guilty. Nobody has been sent to jail. The cases are continuing and one wonders why he would talk about this and not talk about the approximately \$70 million that he has spent so far to find the \$27 million. He did not talk, Mr. Vice-President, about his latest escapade and I pass you a letter that I have today written to the Ambassador of the United States to Trinidad and Tobago and the letter says:

"Your Excellency,

Mindful of the long and cordial relations that have existed between our two countries and of my duty as a Member of Parliamentary Opposition of the House of Representatives of Trinidad and Tobago, I bring to your attention the grave injustice which is being perpetrated by the People's National Movement political party, now forming the Government against publicly known supporters of the United National Congress.

I wish to now officially put the United States Government on notice, more particularly, Members of the US department of Homeland Security, Immigration and Customs Enforcement and the assistant US attorney Richard Gregoire, that the Attorney General of Trinidad and Tobago, his servants and/or agents and Mr. David West have been deliberately trying to instigate the United States authorities to bring false charges against publicly known supporters of the UNC.

The motive of the Attorney General, Mr. John Jeremie is to cause distress and embarrassment to these publicly known UNC supporters and to have them removed from the Trinidad jurisdiction as the PNM prepares for the next general election. This politically inspired conspiracy to target these UNC supporters is unlawful and an abuse of public office by the PNM Attorney General and other PNM officials. I urge you to persuade your Government to conduct a thorough evidential investigation into this matter before proceeding to bring false charges against these persons.

Finally, I will, of course remind the Attorney General of Trinidad and Tobago that it is his duty to protect the interest of Trinidad and Tobago citizens and not to instigate other Governments to bring false charges against us.” [*Desk thumping*]

3.15 p.m.

The Attorney General went on to say that you could not be part of the solution, if you were part of the problem. Wow, what terrific insight and how very, very true. But the problem is that the fox is in the hen house and they are the problem. [*Desk thumping*] [*Laughter*]

The Rolling Stones have got a new album out called "A Bigger Bang". They have got a song called "Sweet Neo Con" and a line in the song reads—and I think it is the Government's refrain:

"It's liberty for all; democracy's our style. Unless you're against us, then it's prison without trial."

The Attorney General wants us to join him; not a problem. We have always said that we were ready, willing and able to talk. We have always said that we would meet with you, but the truth is, whatever meetings we have had with the Government over the last—I do not know how long it has been—have been totally and completely ineffective, ineffectual, and we have not been listened to.

Basically, the meetings have been for the cameras and then, of course, the massive PNM propaganda comes up, “You see, we talked to them.” Their idea of consultation is like the famous Dr. Williams' statement, “Well, the Constitution says I should consult with the Leader of the Opposition, so I call him, I will tell him I am going to do this; I have consulted with him and I go ahead and do what I want; I have now fulfilled the constitutional obligations.” That is what has been happening; there has been no meaningful dialogue; there has been no question.

We saw in the Anti-Terrorism Bill that we recently debated that there was no attempt, whatsoever, to deal with the very real concerns that were had by this Senate and then it was rammed through in an even worse form than it was originally proposed. Government majority is used time and again simply to ramrod what they want or what they believe. Persons who should be charged with continuing offences are not being charged. Matters which ought to be dealt with are swept under the carpet and all we get are the platitudes.

No, Mr. Vice-President; this afternoon I am an unhappy man. Nothing has been said that is new. Nothing has been said that can make any reasonable person stand up in this country and say that things are going to get better. Sen. Sahadeo talked about the \$60,000 allowance that people are now going to enjoy. She said,

"Well, this is a way, you see, of creating savings." "Yeah, right." Do you really believe, for example, that a secretary making \$4,000 a month, having to pay tax on it and she is drawing down, let us say, after her allowances, \$3,200 a month, so she gets an extra \$800, that she is going to take that \$800 and put it in the bank and save it? Or do you think she is just going to say, "Ooh, I have got a raise; thank goodness; I can now breathe a little more," and she is going to go forward?

We are now hearing warnings that the price of gasoline is going to go up; well, we will deal with that when it comes, but may I remind you, as gently as I can, that the last time you raised the price of gas, there was an immediate kick right throughout the economy and prices went up all around, from bread to everything else, including the cost of people having to travel. I know a girl who lives in Rio Claro and works in Port of Spain. *[Interruption]*

Sen. Dr. Saith: How is that relevant?

Sen. R. Montano: I am warning you against it. *[Crosstalk]* No, gas has not been raised. It is relevant, because your Minister said that you are considering it; that is how it is relevant. If you are not raising it, then, Mr. Vice-President, strike all that I have said. Minister Saith has said that they are not going to raise gas; great, I apologize; next point. I hope the press is listening. *[Interruption]* Minister Lenny Saith has said that gasoline prices are not going to be raised at all. *[Laughter]*

Sen. Dr. Saith: Mr. Vice-President, I merely indicated to the Senator that in this debate where we are debating the budget of 2005/2006, there is no proposal to raise the price of gasoline and, therefore, he was being irrelevant and continues to be so. *[Desk thumping]*

Sen. R. Montano: You see what I mean about this Government? This is a real and present concern for the national community, but do you hear the words being used? *[Interruption]*

Sen. Dr. Saith: Do not put words in my mouth, otherwise you will suck my tongue. *[Laughter]* *[Desk thumping]*

Sen. R. Montano: That I will never do. Hold it sheriff, she is headed for the strawberry patch; that I will definitely not do. *[Laughter]* But, Mr. Vice-President, do you hear the gobbledygook? I leave it to the intelligent ladies and gentlemen of the press to be able to analyze that statement. I know what I heard; let them decide what they heard.

Mr. Vice-President, for the record, I have copies of this letter, which I will release to the press, to the US Ambassador. The Government does not come straight; it does not tell you what they are going or not going to do and they couch things in language that allows them to come around and bite you in the rear. [*Laughter*] They do not come straight; they do not tell the population what is happening.

Sen. Dr. Kernahan: Like a pot hound.

Sen. R. Montano: They cannot manage a tea party; they do not take responsibility for anything that goes wrong, but always you hear them taking responsibility for everything that they say is going right. I ask these questions: Is the average citizen better off today in the following areas than he was a year ago: security, health care, education? Is he better off? Does he have, in fact, more disposable income in his pocket, than he had a year ago? I am not asking them; I am asking the person outside. Let the people outside answer these questions, because, you know, on that side their answer would be, "Yes, health care is the greatest thing; we never had such great health care." "Doh" mind you have a hospital in Tobago that is mired in scandal and cost overruns. "Education is the greatest system ever." Do not mind, of course, that you have not built one school in four years, but it is coming; so is Christmas.

Security: "We are dealing with security and things will get better; we are spending money." As I said, you are not asking the right questions. I do not ask these questions of the Keystone Cops; I ask the questions of the national community. Do you, Mr. Average Joe, feel better off today? Do you feel that you are making a living in a country where your children and grandchildren have a future? Do you feel that you are living in a country where all is milk and honey? Do you feel that you are living in a country where you have faith in the leadership? [*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. W. Mark*]

Question put and agreed to.

Sen. R. Montano: Thank you, Mr. Vice-President. Does the average person feel that he can look at his little 10-year-old son or 11-year-old daughter and say to him or her, as the case may be, you have a future here, you know; I want you to stay here; I want you to go to the University of the West Indies; I want you to get

a profession that would take you into a job; I want you to stay here because you can go out at night; you can walk the streets of Port of Spain or San Fernando or anywhere else 11 o'clock in the night.

Of course, if you go down into Chaguanas, for example, at any time after 8 o'clock, on any day of the week, you are going to find a ghost town. Five years ago, when you went down to Chaguanas, you could hardly move; everywhere was bustling; now there is nothing. You could do the same in San Fernando. It has not quite hit Port of Spain as yet, but it is going to come; people have stopped going out.

I am not interested in what they say; they live in a different country. Their Trinidad and Tobago exists somewhere in a parallel universe, but it certainly does not exist in the universe I happen to be in, and that is what is very, very sad. We need to have a new order. We need to have a new centre. This is the time now to stop the politicking. They have been in Government for four years and all we got from them has been steady politicking; we need to stop that. It is time for them to start taking responsibility for their actions or lack of them.

We need people to get fired now. We need to say to people, "Look, now you perform or you move." That is what is needed. I am not talking about the politicking and waving of whatever party flag. I am talking now about nationalism and patriotism. I am talking about building a better Trinidad and Tobago. I am talking about the entire population saying to the politicians, all of us, those on my side included, "Stop the politicking and deal with the issues." What are the issues? Crime, health care and education; let us start dealing with those.

I have tried, in this last year in this Senate, to put forward proposals. I have tried to say why I have opposed things and I have tried to approach them with reason. My words have fallen on deaf ears; nobody has said anything. Instead I have been met with "picong", "mauvais langue" or just plain ignorance. "We are not listening to you; be quiet; you have no right to speak." Yet, when I go outside and meet the ordinary man, they ask, "Why do you oppose the Police Reform Bills?" I tell them. The ordinary man says, "Yes, but I agree with you."

"Why do you not do this?" I say we have done this, they say "Well I agree with you, but it does not come out, it is not publicized" and what you have is the continuous Government propaganda churning day and night.

3.30 p.m.

As I asked facetiously yesterday, how many trees had to die for this? And yet we have heard nothing about the environment, nothing about what is happening on the ground to the ordinary man. I am a very sad citizen today because the truth is, at the rate we are going I do not know if our children or grandchildren are going to have a country in a few years' time despite the oil wealth.

I listened to Minister Sahadeo try to obfuscate the very real and cogent arguments of Sen. King, and instead of dealing with the argument head on, she beat all around the mulberry bush. Not one Government Minister has so far given a cogent report of what he has achieved, what he has done, the problems he has had, or the failures he has had, because if you are going to tell me they have had no failures, I will say good grief; we are dealing with Jesus Christ, Sai Baba and the Prophet Muhammad.

They have not said what failures they have had, what are the problems, or how do they propose to address these failures and problems other than throwing money at them. Instead we get pious platitudes. I am unhappy.

So, Mr. Vice-President, until this time next year, when I hope that we will not have again just a repetition of what we have had for the last four years. Would it not be nice if we had something new and instead of beating the chest, we have honesty and change? Would it not be nice if we had integrity and accountability for a change?

Thank you.

Sen. Prof. Kenneth Ramchand: Mr. Vice-President, I thank you for allowing me to speak on the budget statement and matters arising from it.

I am now convinced that there should be comprehensive budget statements only at the start of years one and four in the life of a government. In years two and three and again in year five, the budget exercise should consist of a rigorous examination of progress and delivery with respect to the plans declared in years one and four.

Mr. Vice-President, my contribution has three main parts. In the first part I want to deal with some issues relating to the economy. In the second part I want to introduce a newish term and a newish concept for something old, and in the third, I want to touch on education matters. I want to say something about SEMP, tertiary education, primary education, books, the junior secondary schools and deshifting and about education and the child. I regret very much that I would not have time to speak about agriculture and the environment.

Mr. Vice-President, the first issue relating to the economy is taken from one of the things Sen. Dr. Balgobin said. Like him, I have reservations about the use of special-purpose vehicles to carry the burdens that should be delivered by the public service.

Where is the skills pool from which the drivers of these vehicles will be drawn? Will they come from overseas, or will the same old fools be skimmed off from the same public service? Can we afford to create companies that will either be a law unto themselves, or creatures of the Government by whose favour their mediocrity was allowed to come into office?

Mr. Vice-President, on the question of building, the Ministry of Education's record in building is not great. I do not want to go into it, I think it is well-established that for one reason or another not as many schools were delivered as had been promised or expected and we have heard about the designs taking time, we hear of dancing from architects to the ministry, even dancing from architect to architect for three whole years. I do not know what kind of “go-go rani” that is.

I wish to remind Senators and the Government that the NAR government built 36 primary schools and the Rudranath Capildeo Learning Resource Centre for \$72 million, they had no MTS, no business company, the work was organized by a small unit from within the ministry and they had an engineer, an educationist, a planner and they contracted architects through the Central Tenders Board.

The architects created three or four models—they did not get a design for every school—which were then used and modified slightly according to location. So they had a model, let us say for schools to accommodate 400 and less students, schools for 800, et cetera and they had these four models and they paid a one and done fee. The design was now their property and so they built their schools.

Mr. Vice-President, one or two of those schools were built in four months and none of them took more than a year. So I still have to be convinced that the special delivery vehicle for building of schools is necessary or is going to be economical.

Secondly, Sen. King had reminded us of how deceptive the GDP that we like to boast about can be. She said we have a GDP growth rate at around 6 to 7 per cent, while our GNP growth rate, that is that part of the economic returns that stay in the country, is more like 2 to 3 per cent and even this is fuelled by rents from the natural resource sector. To this we must add that whatever the GNP, what counts is the well-being of a society and a much more equitable distribution of the GNP than prevails in our society where such a large percentage of the population lives—if you can call it living—under the poverty line.

Thirdly, I come now to the larger issue of choices for our economy in the age of plenty which is the title of a special issue of the Trinidad and Tobago Review, April 18, 2005.

Mr. Vice-President, Sen. King is right. The budgets of the last few years differ from one another only in scale; they all stubbornly refuse to consider it urgent, necessary or prudent to make much of an effort to translate the very easy and glib phrase “diversify the economy” into the testing and innovative work of fashioning a sustainable, onshore, economy.

Sen. Dumas: What are you quoting?

Sen. Prof. K. Ramchand: I am quoting myself, Sir. The philosophy of the budget—and Mr. Vice-President, my economic mentors are George Beckford, Walter Rodney, Mary King, Lloyd Best, and CLR James. I read a lot of these “fellows” although I am a literary man and I have plenty common sense to convert what they say into my mill to make it grit for my mill.

The philosophy of the budget as Dr. Eric St. Cyr points out in an interview carried in the *Sunday Express* of October 02, 2005 is one which has not been updated since the 1950s. This philosophy was also the philosophy and *raison d'être* of the plantation and one to produce for export. St Cyr cites as text the following declaration in the budget statement.

“The top of our agenda is the restructuring and strengthening of the drivers of growth so we can develop a diversified, competitive economy (occupying) a more profitable position in the global value chain.”

I do not want a more profitable position in the global value chain for itself you know, I want to see the standard of living and the quality of life of the vast majority of people in this country improved. I do not want a massive GDP which means nothing to the ordinary people of the country.

St. Cyr reminds us the drivers of growth are the energy sector and the offshore sector, and what they are telling us is that the energy sector is the focus of their attention.

Mr. Vice-President, Dr. St Cyr cites from the budget statement statistics showing:

“...that while the energy sector contributes 40 per cent of GDP, 40 per cent of government revenue and 80 per cent of exports of goods, it contributes only three per cent of the employment. In other words, all the people are located in the non-energy, inshore sector.”

It is the non-energy onshore sector that any innovative developmental philosophy must engage with and draw upon as St. Cyr says.

“That is the area we have to start to understand: how it works; what the people are about; what they do; and how to raise their levels of participation in the economic system. We agree the energy sector is most important and cannot be neglected and that we must get the maximum from it for the nation.

But we cannot not focus our attention on the inshore economy.”

Mr. Vice-President, Sen. King asked us to take as read, her discourse on a sustainable onshore economy but we cannot take it as read just so; it bears repetition; I cannot leave it like that. That is why taking hers as read; I am using some quotations from Dr. St Cyr to reinforce my colleague’s annual argument which keeps falling on deaf ears.

3.45 p.m.

When crunch time comes, Mr. Vice-President, I want to be counted as among those who feel that ignoring the onshore economy is ignoring the welfare of the majority of the people of our country. I want to be counted among those who feel that business, government and science have failed to value the intellectual contribution and the innovation of these ordinary people and have failed, at the same time, to capture the wealth that is in them.

Look at what is happening to the pan. Who is making and selling pan? Not us. And that comes from the people, and that is only a spectacular example. We have a whole harvest to reap that we are refusing to reap—the gospel, according to St. Cyr.

In the plantation scenario, the labouring people, enslaved Africans or indentured Indians, were merely agricultural tools and they were regarded as insignificant in human, social and cultural terms. But not now. The fight of these people, according to St. Cyr, has also been that these people want this place to be their home where they would develop their culture, earn their living, provision themselves and so forth. He says:

“We would continue to make a strong plea for involving the population at large, investigating the types of industries they have been developing. Most of the capital people have been able to accumulate in the onshore sector is not in the form of hardware, but of ideas.

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[SEN.PROF. RAMCHAND]

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A classic example is our musicians: all the hardware they need is a microphone, piano, guitar, but tremendous software in their heads that they could use anywhere in the world to earn income.”

It goes on:

“The direction in which we want to push is to get an interpretation of the society on its own terms, located in its own historical setting, so that you see where and how the 87 per cent of the labour force fits. I know it is important to detect and punish crime...but if the young men coming up do not conceive themselves as belonging, as having a stake, avenues open for them, would they be so frustrated as to be inclined to mash up the place?

The returns to enterprise are not to the physical, but the intellectual labour, enhanced over time by technological improvements.”

Mr. Vice-President, I hope I have shown, firstly, that there is or ought to be a profound link between economic policy and the lives of the people of a country and, secondly, the originality and authenticity of a country, its ability to be innovative, inventive and relevant in its choice of a developmental path that would draw from, and benefit all members of the society, depends upon the link being seen as profound and dynamic and full of surprises never dreamt of in the inherited models our validating elites still, unwittingly and unimaginatively propagate.

I want to change gears a little and I want to read again, a poem that I read in this Chamber some years ago:

“Under this rhythm
Beats the voice
No one will notice.
Under this rock
Is the flame
No one sends freedom.
Under this island
Is the land
No one desires.
But in the time of drought

Is weeping.
And in the time of harvest
Is weeping
And at the funeral
Is weeping
And in the marriage-bed
Is weeping
Look O my Sun
Over this island
Look O my stars
Into this island.
For it sits upon the doorstep
And waits
And there is bleating in the dawn
And there is bleating in the night
For it sits upon the doorstep
And waits.

This land has no centre neither direction.”

It is a poem by the Jamaican M. G. Smith.

The present budget is being conducted in the shadow of the vortex, an overwhelming situation that seems to swamp or engulf everything else. I refer to galloping crime, the murder and raping that nearly every speaker before me has lamented. We hear about a nation on edge; we hear about an unprecedented crime wave; we hear about a failed state; we read about a thin crust of civilization underneath which is molten chaos. We hear about loss of respect; we hear of loss of manners. There are other subjects that have come up in the contributions: poverty, lavish spending with no visible returns in the form of human capital or social cohesion; the drug trade and drug addiction; the police; traffic—or as the late Samuel Selvon would have said, “traffics”—deficiencies in management; inept leadership in every sphere; the erosion of the concept and the reality of

family, and the alienation of young people. I would add, high rentals, also continuously rising high prices; I would add the assassination of agriculture and the rising food import bill.

I would ask the Government to please consider the pressure on roads, on schools, on housing, on the food supply and on the social amenities that the influx of so-called skilled labour to add to the vast number of illegal immigrants, would cause in this country. The candle will cost more than the funeral.

Many solutions have been proposed to the issues I have highlighted. I have already said in this place that these are symptoms of a great disorder or, hopefully, a flux that we are in a period of painful transition. In conventional terms, I would agree with Sen. Rocke that we are suffering from loss of family values; loss of community spirit; loss of love, patriotism or even nationhood; loss of respect for self as a person and other persons and the fact that for many people, they think their own lives are so meaningless that they think other people's lives are meaningless too. Life is cheap; life means nothing.

At times like these I turn to the poets or I turn to my favourite Ecclesiastes. If you want a comforting wise man, go to Ecclesiastes:

“...I saw under the sun the place of judgment, that wickedness was there; and the place of righteousness, that iniquity was there.

So I returned, and considered all the oppression that are done under the sun; and behold the tears of such as were oppressed, and they had no comforter; and on the side of their oppressors there was power; and they had no comforter.”

Then he goes:

“Two are better than one; because they have a good reward for their labour. For if they fall, the one will lift up his fellow; but woe to him that is alone when he falleth; for he hath not another to help him up.

Again, if two lie together, then they have heat; but how can one be warm alone? And if one prevail against him; two shall withstand him; and a threefold cord is not quickly broken.”

I take Ecclesiastes as a cue to introduce this new concept and the new term for something that we had and valued and used to know by another word. The term I would like to introduce to the hon. Minister who knows so much about capital is

social capital. What is social capital? From *Wikipedia*, the free encyclopedia, we have a definition:

“Social capital refers to the collective value of all social networks and the inclinations that arise from these networks to do things for each other.”

So what is social capital? Why does social capital matter? Social capital is not human capital. You could educate people; you could give them skills. They are human capital, they are not yet social capital. You might have created individualists. Social capital is not natural capital, your forests, your oil, your gas. Social capital is not man-made or physical capital, your buildings and monuments. Social capital is not money. Social capital is not a tangible item; it is very difficult to quantify, but like a Stern John goal, you know it when you see it. Social capital has to be instantiated, that is to say, it has to be represented by an instance or example. Social capital manifests when there is a sense of belonging, when people feel they have a stake in something, when people see they are partners, when people know that they are participating meaningfully; when there is an atmosphere of trust and cooperation.

The word, “social”, in social capital implies personal attachment, cooperation, solidarity, mutual respect and a sense of common interest. Of course, social capital is not always good for a society. The mafia has social capital. Some families who are locked into themselves have social capital. The clan, the tribe, has social capital. So that kind of vertical social capital could be a model to us about what are the qualities we want to cultivate. But social capital becomes meaningful when it works horizontally and it involves different groups and people in a society.

We want social capital to operate as bonding or vertical capital in family or clan, but we want it to operate as horizontal or bridging social capital in the whole society. And when we think about it like that, we can come closer to a situation where we can say, well, this is how we might cultivate it, and when we think about it, social capital inheres or exists in structural form; in certain outward manifestation: NGOs; social organizations; institutions; roles; rules; precedence; procedures; networks. We do not have that so we have to work for it.

4.00 p.m.

Social capital exists at the cognitive level; certain beliefs, attitudes, values, norms, qualities like solidarity, trust, honesty, credibility and caring. When we do an analysis like this we can see that we can embark upon a work of education to try to stimulate social capital in the society, to create truly cooperative groupings

and a sense of the necessity to adhere to rules, roles, precedents and procedures. This has wonderful implications for schools; the raising of children; business; state enterprises and society as a whole. I introduce this new concept but it is not really new. Social capital is a concept and a term that may make us create and recreate the sense of community in the modern period.

All the evils in our society spring from the fact that we have no sense of community, but if in 2005, you tell people that they have to cultivate a sense of community, they would say that you are trying to go back and you are a nostalgic throwback; you want to go back to the old time days and the old time ways. Let us understand the meaning of social capital; the relevance of the terms; the need to analyze them and discover the ways in which using the concept of social capital, we can help to recreate our communities and get rid of all the very disturbing symptoms that now plague us.

I go to some topics in education. I will speak very briefly on the Secondary Education Modernization Programme. The hon. Minister knows how I feel about it. She knows that I believe that the reconstruction of our education system should have begun with the primary schools. At that point we could have gone for all kinds of radical solutions, innovations and combinations. There are so many subjects those poor little children have to do now, that you have to find a way to combine about 11 subjects in one topic.

If we had started in the primary schools with the imagination and curiosity of those little children working with us, we might have been able to create a different kind of curriculum. We needed to start with the primary schools because we have to recognize the problem of poverty, poor housing; one-parent families and so on. These issues would influence the design of the school.

We have to create a kind of school that replicates a sense of home. We must have teachers and assistants who create the loving atmosphere of home. We have to bring inner sustainment; get security and give love. Those little children will learn for themselves with a little guidance. You need to let them blossom as people, persons and human beings. We would have started with the primary system because primary education and the primary system is the foundation of the child's cognitive and emotional being. When you begin with the secondary schools, you would force the primary schools to pull themselves in line with the secondary schools. It should be the other way around. The secondary schools have to develop out of the ethos of what you do at the primary level.

The Minister knows that. I quarrel about it all the time. I know that she would not take it personally. I think that those bureaucrats mamaguy her a lot

because they have no ideas. They say that firstly, they will give the curricula for Forms 1, 2 and 3. A curriculum is a five-year programme. You cannot give me the curriculum for Form 1; you might give me the syllabus for Form 1. Before you can devise a syllabus you have to imagine a whole curriculum and know this is where you are starting; the outcomes that you are going towards; you have five years to do it and this is how you break it up. When you start to work on syllabus one you would know the end of syllabus five. When you do for Forms 1, 2 and 3 and then come back with Forms 4 and 5; you go back to revise Forms 1, 2 and 3 and when that is finished you have to go back to check out for Forms 4 and 5. You would see “go-go rani” again.

With regard to tertiary education, I welcome, but with reservation, the return to the 1960s, when we had free university education. Not many countries do it for free and I do feel that we should do it for free. I know that the loans do not work; people do not pay back. I do not want to be indentured. I am giving you three years at university to study for a degree and afterwards, you have to work for me four years. I find that oppressive. You will find it inconvenient because when you are ready for a job, there would be no job. You would say go to teach in Matelot. I will say, “I am a big man; I have a First Class Honours Degree in English and you would send me Matelot. I want to go to QRC.” There are conflicts with the jobs you have and what I want. I would have to do what you tell me because you have bound me to a contract. We know that in due course I will be working in the country, so you do not have to bind me to a contract to work in the country.

With this free provision we need to work out something. Do some kind of skills needs. We need graduates in so and so; speak to UWI or if you like UTT; work out certain programmes that would satisfy those needs and provide an education at the same time. People who are getting the free education would get an option. We have five programmes; these are the needs and you can get the scholarship if you go there. You would be directing this. You are telling them in the year between getting A’levels and going into university, if you like you can do a year of national service; you can teach in the primary schools with a master teacher if you have an interest that way. In that year when you need a break, we would find a job for you that would be training. If you do not want it then, after taking up your programme, at the end of the first year we can find you an apprenticeship or internship somewhere and you would be performing service.

I am not giving them free education and to do what they like. These are the programmes that are available and we want this kind of service which would be

part of the training and you would be helping the country at the same time. Do you know how many schools would be glad to have first year university students attached to master teachers relating to the class and ensuring that the teachers do not sign and go home or go for lunch and come back late. Police some of the bad eggs. That is my suggestion about tertiary education and how not to make this a free-for-all.

The book situation is a very complicated thing. It is very distressing. In all good faith we want to ensure that our children have books. All primary school children get free books: Language Arts; reading books; maths and science. Infants I get Social Science and Infants I and II get two work books. That is their bundle and it is free. For the last two or three years it has been a former prime minister's choice: no choice; same book. Everybody is getting the same book and it has come about not because this Government embraces the same-book philosophy, but because it cannot find books to offer the schools a choice.

The effect of that is that somebody who gets his series from Standards 1 to 5, that is five books, is selling 20,000 copies of books 1, 2, 3, 4 and 5. In the second and third years he is doing the same thing. After that he could buy Petrotrin. It is a lucrative thing. It is a monopoly and it is very bad for people to have monopolies. That is what is going on in the primary system.

You have no incentive to change the book because you have no competition and you are locked in there for three years. Of course, it is educationally unsound. That is why I resigned as chairman of the textbook committee under the previous government. After we proposed a list and the Minister of Education accepted it and circularized it to the schools saying each school had a choice and to choose one out of three, God came and said, "No. I do not want it so. I want same book for everybody. When I was going to school I had same book so everybody must have same book."

Sen. Abdul-Hamid: Who said that? Mao?

Sen. Prof. K. Ramchand: A former prime minister. Of course, I resigned because that is educationally unsound.

In the secondary schools we have a rental scheme, but it is not really a rental scheme; it is a loan scheme because I do not think that anybody has had to pay a rent. I do not think that the Government has collected any money from anybody for damaged books. The schools have a choice. Apart from the educational issues the deal that has been struck with the publishers looks good on paper. You can say that we get 27½ per cent discount because the Government has now

contracted with the publishers to supply the books at 27½ per cent discount. It is not really like that. Between zero and 5,000 it is 10 per cent; between 5,000 and 10,000, it is 15 per cent; between 10,000 and 15,000, it is 20 per cent; 15,000 and 20,000, it is 25 per cent and over 20,000, it is 27½ per cent. After you get that discount you have to pay the freight for the books to come; pay 70 cents for each book delivered to a secondary school and 60 cents for each book delivered to a primary school. You are paying freight and delivery and getting the 27½ per cent discount.

When I was chairman of a committee for making textbooks more available and accessible, I sent letters to various publishers and told them that if we buy 60,000 copies of a book from you over the next three years and you do not have to warehouse, advertise, re-edit and just tell your printers to print and ship, how much per cent more than 50 in discount will I get? I was getting 55 and 60. The Government has really been tricked. We are paying too much money for these contracts. It is very sad. Some of the books are not even being used by the students, but we are paying for them. If a bookseller is buying two books from a publisher you get a trade discount of about 30 or 33⅓ per cent. You do not have to buy 500, 1,000 or 5,000. You are an accredited book seller, you are entitled to a book seller's discount of 30 or 33⅓ per cent. If I am buying 10,000 will I still get the 33⅓ per cent? No way.

4.15 p.m.

I think it was a badly negotiated deal. I do not know why it was like that but I would like to assure the hon. Prime Minister that if the National Textbook Committee has its way, it would not happen again.

Mr. Vice-President, with respect to the primary schools, the primary school is the foundation of the cognitive and emotional being of our children. There is a programme to refurbish and rebuild, but the situation that exists is dreadful. Of the 442 primary schools, 40 are classified as very poor, 40 are poor, 162 are fair, 150 are good, 20 are excellent and 30 are unrated. Twenty five are being targeted for—

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

Sen. Dr. Mc Kenzie: Vice-President, I know it would probably be about two or three minutes after the tea break but I want to beg you, Sir, that we continue until his 15 minutes is completed and then take the tea break; if I have such authority and power?

Appropriation Bill (Budget)
[SEN. PROF. RAMCHAND]

Thursday, October 13, 2005

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

Question put and agreed to.

Sen. Prof. K. Ramchand: Thank you very much, Mr. Vice-President, thank you Senators. Thank you, Senator, I would not like to have to come back and do two minutes after tea, unless the Vice-President says that he would give me five minutes. [*Laughter*]

Mr. Vice-President, with respect to the conditions of those schools in the St. George East area, which has about 90 schools—I have checked—55 per cent of them still have their classrooms separated with blackboard blinds, which separated them when I was a child. When I dropped my pencil, I could have bent and seen the next classroom and while my teacher was teaching me, I heard noises from the two classes at the side of me. I do not know how that could exist in 2005. I do not want any designs to change that; I would buy 100 bricks and just go and break it up. Mr. Vice-President, that does not contribute to learning.

I was able to get this information from 66 of the 91 primary schools in the area. Mr. Vice-President, 40 of them have computers and 19 of that 40 have no Internet access. None of them has seen a technician from the ministry. None of them has been given the Internet services and they are all into do-it-yourself situations. I do not know if our plan to introduce computers to the schools is having the effect it should have. This is the age when you want to get the thing into their blood. We should not wait for them to get to the secondary schools. Let it become second nature to them in the primary schools. I think serious thought has to be given—

Sen. Manning: Mr. Vice-President, through you, I would like to tell the hon. Senator that we have just signed an agreement to procure and put a school-net system in place. It has only been signed. As the budget is over and the funding is available that would take place. We are about to purchase 5,000 computers and the schools are now being prepared to put in computer labs.

While I am on my feet, Mr. Vice-President, the curriculum that you are talking about; the Forms 1, 2 and 3 and then 4 and 5, I inherited that. We have to continue; we cannot stop it so it is going on. But if you had noticed lately and during my contribution, the emphasis is on pre-schools—we have gone even lower than the primary schools—and the early childhood centres and for the first time we are putting in place a national curriculum for early childhood centres and then we would go up.

Sen. Prof. K. Ramchand: Thank you, hon. Minister. I know what you have inherited, as I said, do not take it personally; I am dealing with the system. With respect to the training of primary school teachers I wish to support, I think it was a suggestion from Sen. Rocke, about these primary school teachers. In 1971, the Premier of Ontario said that “Every teacher must have a degree by 1975.” I would say that every teacher in our primary schools must have a degree by 2008. We just have to find a way to bring that about, and we have free tertiary education.

I just want to look a bit at the implications of the SEA results. Mr. Vice-President, in 2002, 21,000 students wrote the examination, so let us say that in 2002 it was 20,000; in 2003 it was, 20,000, in 2004, it was 20,000—there is a slight variation, but none was less than 20,000—of those, Mr. Vice-President, 11,000 students went to five-year and seven-year schools and 7,800 students, on an average, went to three-year schools—so call that 8,000. You have 11,000 students going to five-year and seven-year schools and you have 8,000 students going to three-year schools. Of the 8,000 students in the three-year schools, which are the junior secondary schools, 15 per cent never reached Form 3—they just disappeared—that is 1,200. Of the remaining 6,800 students going on to senior comprehensive, 15 per cent never reached CXC; that is 1,020. You have 5,800 students who have reached the CXC and the majority of them get IVs and Vs, and it is not that they are stupid; it is not that they are bad; they are not ready for the secondary schools. They should not have left the primary schools.

If you want to be wicked, Mr. Vice-President, about 20 per cent of those who go to the five-year and seven-year schools they are not ready either because they have not scored 50 per cent in the SEA examination. We have a very serious problem with this waste of human capital. What happens to all those persons who are floundering? A remedial programme cannot work. The SEA report speaks about a remedial programme and the Permanent Secretary in the Ministry of Education was very kind to send me a letter explaining what they are doing to deal with the problem, but it cannot be seen as a remedial problem. It has to be seen as a problem of revamping the primary schools and if anybody is weak at any point, you find them out early and delay them. The permanent secretary said that the new policy for secondary schools is readiness, but that is only a tiny step along the way.

I would say that in the recreation of the education system, the architects have shown the same unwillingness to look for the hidden hand and break off its fingers as the people who are restructuring the economy. There are hidden hands everywhere, not only in the economy but in the education system, and we have to find them and break their fingers.

Mr. Vice-President, I am going to leave out the bit about the junior secondary schools except to say that we have many of them to de-shift. We have had 30 years of telling people that they are getting a secondary education and the children of those people are now shooting themselves all over the place. I really cannot go into it now, it is painful and I will leave it.

Two or three years ago in the budget debate, I spoke about the importance of parent/child and adult/child interactions in quality time, as well as in ordinary living foundation situations and saw that as the foundation for emotional health and skills development. I proposed then that there should be courses in parenting; I proposed then that the ECCE centres should replicate homes with parents and professionals involved. I also proposed that in some cases where two parents are at work, employers should be persuaded to contribute to a scheme to ensure that at least one parent is at home on no-pay leave with the pre-school child. You have a choice of going to the centres or a choice of staying home on 75 per cent pay and the employers have to make that contribution. You get three months off to stay with the child and when you go back to the work your wife gets the three months off to be with the child and you do that for three years. It is not asking too much; you alternate it. Because the reduced pay might be partly compensated for by the fact that you pay less tax. In any case, you should be glad to be with the child. Daycare is good; helpers are good but there is nothing to beat the interaction between the parent and the child in those early years. So I commend Sen. Roche for advocating the creation of some system that would help to bring this about.

Mr. Vice President, I hope I could finish in three minutes but I close with a quotation that sums up a lot of what I have been saying from a book called *Contending with Destiny*. The book is edited by Kenneth Hall and Dennis Ben and it is an essay by me. I like to quote myself sometimes. I am talking about what creating an education means. I quote:

“It means debunking the practices and objectives that many of our bureaucrats and administrators slavishly follow, and embarking upon the construction of a system and a curriculum of our own, taking into account our particular means and needs and making use of all the legacies available to us.

The new curriculum would forge a fruitful relationship between education in science and technology and education in the creative arts. A far-reaching aspect would be its encouragement of proper nutrition and exercise which would reduce the pressure upon medical services and perhaps help to

develop a lifestyle in closer relationship to the physical environment and the products of this environment.”

4.30 p.m.

It means abolishing competitive exams for secondary school places and with them the books, teaching practices and curricula these have spawned;

It means recreating the teaching material used in our schools...

In our countries education means starting all over again with the primary schools and developing a system that recognizes the need to offset the disadvantages caused by poverty and the absence of a home life whether through poverty or from the fact that many households where both parents work the child is deprived of both educational help and emotional sustenance... The primary school would have to be designed according to our particular needs and would therefore have to serve curriculum requirements and physically create a sense of home.

Investment in the kind of education being suggested here may well turn out to pay back with interest when we try to imagine the effects it would have in preventing sickness, reducing crime and aberrant behaviours, and in lessening the need for the building of prisons and unsuccessful corrective institutions.”

Mr. Vice-President, with that, I thank you for your tolerance.

Mr. Vice-President: Hon. Senators, we shall take the tea break now and resume at 5.05 p.m.

4.33 p.m.: *Sitting suspended.*

5.05 p.m.: *Sitting resumed.*

Mr. Vice-President: Hon. Senators, we must have one more Senator to make the quorum so we could proceed.

The Minister of Foreign Affairs (Sen. The Hon. Knowlson Gift): Mr. Vice-President, I rise to make my contribution to the debate on the 2005/2006 Budget.

In fulfilment of its mandate, the Ministry of Foreign Affairs through its staff at headquarters and at its overseas missions, seeks to promote and protect the political, socio-economic, energy, trade, security and cultural interests of the Government and of the people of Trinidad and Tobago.

In keeping with the focus for fiscal year 2005/2006, on people-centered development and promoting family well-being, and in accordance with the key

elements identified in the Vision 2020 Strategic Plan, the Ministry of Foreign Affairs shall focus on the wide range of activities at the regional, hemispheric and international levels.

Six basic principles emerge from the 2005/2006 budget speech. These are namely:

- There must be a change of values and attitudes.
- We must engender national and personal pride.
- There must be the spirit of community ownership.
- We must be environmentally aware and take action to protect our environment
- There must be a return to respect, discipline and tolerance.
- We must create a culture of performance and excellence.

As the Government continues to stimulate the national outlook and carving a bold new vision for the future, through empowering the people of Trinidad and Tobago and focusing on the transformation of the society to First World status, the foreign policy strategies of this nation are also moving along the same path.

Our vision is to ensure that the benefits available in the international community permeate and positively impact the quality of life of the citizenry of this country. The four priority areas of intervention and the macroeconomic programmes to which the hon. Prime Minister referred in his 2006 budget presentation, namely, the issues affecting the family, collective concern for security and safety, a relevant education system, quality health care services, an adequate housing and poverty reduction are areas which are closely associated with both existing and ongoing initiatives that have been conducted under the auspices and work programme of the Ministry of Foreign Affairs.

The Government's 2005/2006 budget presentation seeks to lay the groundwork for achieving the country's international goals for its coming fiscal year. However, within this introductory framework it must be remembered that preparation for our development goals started sometime ago with the formulation of a National Strategic Development Plan. These have been and shall continue to be supported by the initiatives and thrust of our relations with the rest of the world which include, inter alia, playing a leadership role in articulating the regional cooperation thrust and international efforts of the Caribbean.

Pivotal to the goal of people-centered development is the recognition of the fundamental rights and needs of all citizens and the placement of systems that would

harness the multi-dimensional talents of our communities.

Even as we seek to achieve the long term goals details in the Vision 2020 report, we must consider the importance of economic and commercial cooperation and integration at the Caribbean level and among the countries of Latin America, as well as North America.

Crime, security and safety. The issue of crime, security and safety is of paramount importance to the Government and people of Trinidad and Tobago. Apart from the obvious priority of securing our citizens and our families on a daily basis, the Government of Trinidad and Tobago has a vested interest in also securing its foreign economic relations and investment interests with countries around the globe.

In this connection, the Ministry of Foreign Affairs and its overseas missions shall undertake a series of initiatives in the area of security and safety that would complement the activities undertaken by other ministries and in particular, the Ministry of National Security.

I come now to the question of database management. The improvement of our national database capacity at our overseas missions shall form part of the focus. In this regard, a database of Trinidad and Tobago nationals abroad arrested, detained and deported would be established for use by relevant government departments. We shall also be addressing the question of a database regarding lost or cancelled passports. A database in this connection of lost or cancelled Trinidad and Tobago passports would be developed and made accessible to all Trinidad and Tobago overseas missions. Systems would be devised to prevent fraudulent misuse of Trinidad and Tobago passports as a matter of urgency for the Ministry of National Security. We shall be looking at the question of the database of our qualified skilled nationals abroad. In this regard our missions would be requested to compile a register of qualified and skilled Trinidad and Tobago nationals in the host country of the missions and the countries of accreditation with a view to assisting the development thrust of Trinidad and Tobago, both at home and abroad.

Missions shall also continue to utilize in collaboration with relevant ministries and agencies, the multilateral forum with the Organization of American States (OAS) to secure training and other capacity-building programmes in security-related areas. For example, trafficking in illegal arms, in persons, youth gang violence, which would inter alia, facilitate and enhance information sharing and networking among key law enforcement agencies.

On an annual basis several countries including the United States of America, Canada, China, France and the United Kingdom shall provide technical and other forms of assistance to the Trinidad and Tobago Defence Force and the police service. This would contribute to the development of our protective services. The Ministry of Foreign Affairs shall continue to explore other sources of technical cooperation on behalf of the Government.

5.15 p.m.

I now come to the question of the Caribbean Treaty on Mutual Legal Assistance in Serious Criminal Matters. We recognize that efforts towards liberalization and integration also present opportunities for the criminally inclined. We have a responsibility, therefore, to put in place the international legal framework and domestic institutional infrastructure that would allow like-minded states to cooperate in the fight against transnational organized crime and cross-border crimes.

The development of that international legal framework at the level of Caricom received a boost when the Heads of Governments signed a Caribbean Treaty on Mutual Legal Assistance in Serious Criminal Matters at the Twenty-Sixth Session of the conference in St. Lucia last July. The process of ratification of that treaty is almost complete and we expect to deliver Trinidad and Tobago's Instrument of Ratification with the Depository shortly.

I now come to the question of the Memorandum of Understanding between the Government of the United States of America and the Government of the Republic of Trinidad and Tobago for criminal deportees. At this juncture, I wish to take the opportunity to clear the air on what has become a common misconception in the country today. This Memorandum of Understanding, the implementation of which resulted for the first time in the deportation of as many as 23 deportees in one instance from the United States to Trinidad and Tobago, was signed by the former Prime Minister, the hon. Basdeo Panday, on behalf of the Government of Trinidad and Tobago. We are hearing that as a result of this large number of deportees returning that this Government has sown the wind and is currently reaping the whirlwind. You can see that we were not the ones who sowed the wind, although we are the ones reaping the whirlwind.

What is unusual about this treaty is that it was signed inappropriately by a head of government with a subordinate Cabinet member of a foreign government. That makes it very difficult, therefore, that it should be revisited. At any rate, it now figures very prominently on the Caricom/United States agenda for our next meeting with the Secretary of State, some time in the month of February, so all is not really lost here.

This brings me to the question of education. Of course, the Minister of Education has primary responsibility for issues concerning education and we are all pleased at the way she handled her contribution in respect of this particular issue. However, the Minister of Foreign Affairs, from the standpoint of complementarity with other Ministries, as in the case of the Ministry of Education, also has a role to play.

In this regard, Mr. Vice-President, the recently concluded 60th Session of the United Nations General Assembly in New York, which I had the privilege to attend—and I will read a section of the Government's presentation at that meeting. I quote:

“...Our Vision 2020, includes the evolution of a technologically-driven knowledge-based society, a highly productive and globally competitive economy, and the provision of a standard of living comparable to that of the developed world. To achieve this vision, the Government of Trinidad and Tobago is developing its human capital by creating a virtually seamless educational system from the primary to the tertiary level, with increasing emphasis on information technology and other related subjects.”

In fact, Mr. Vice-President, we are hoping that in so doing we can locate our nationals and prepare them for employment in the wider global marketplace.

At the hemispherical level, Trinidad and Tobago assumed the chairmanship of the Inter-American Committee on Education and shall lead the ministerial dialogue for the next two years, that is from 2005 to 2007. This forum shall present Trinidad and Tobago with the opportunity to focus on the achievements on the recently concluded Fourth Meeting of Ministers of Education of the Americas, as well as those mandates which shall emanate from the Summit of the Americas in Argentina next month, November.

The Ministry of Foreign Affairs shall also lend support to the thrust of the national education sector, through the execution of the Declaration of Scarborough and commitments to action adopted by the Fourth Meeting of OAS Ministers of Education, Scarborough, Tobago. We shall also provide technical and logistical support for the two-year tenure of the chairmanship of Trinidad and Tobago in that body.

In the same education sector, another priority area of interest is the National Indicative Programme under the Ninth European Development Fund, which has been extended to Trinidad and Tobago under the Cotonou Agreement. This allocates 80 per cent of TT \$98 million to the tertiary sector with the remaining 20 per cent being allocated to the health sector. The Ministry of Planning and Development is

responsible for the programming of these funds and it is imperative for us to present achievable projects for the consideration of the authorities. Here again, the Ministry of Foreign Affairs is prepared to do its part in that exercise.

Of additional significance to our focus in this area is the commitment made by countries such as China and Mexico for the provision of certain training programmes. The efforts undertaken by Trinidad and Tobago's Ambassador to Brussels in 2004 when he coordinated and led a team of Cariforum ambassadors in pursuance of initiatives with the French Government in various fields, which included education, was of additional value to this country's education thrust.

I now come to the question of economic growth and international trade. In order to facilitate the creation and maintenance of a healthy investment climate, the Ministry of Foreign Affairs continues to examine the conclusion of Investment Promotion and Protection Agreements, commonly referred to as IPPAs, as well as Double Taxation Agreements, with a number of countries.

Bilateral investment treaties have been ratified with Canada, Cuba, France, South Korea, Spain and the United Kingdom. Negotiations for the IPPAs are ongoing with Germany, the Netherlands, Italy, Belgium, Switzerland and the Ukraine; while negotiations on the DTAs are ongoing for Spain and the Netherlands.

Mr. Vice-President, our missions overseas also initiate and participate in trade and investment events to promote Trinidad and Tobago. One of the most successful ventures in this regard in recent times has included participation in the Sixth Annual Aroma Fare held in Brussels, Belgium from February 04 to 06, 2004. That event mainly focused on the cocoa products of the Caribbean region and the Trinidad and Tobago booth received positive responses and numerous enquiries. The Brussels Mission intends to participate in this event on an annual basis.

In addition, our Mission in Brussels held specific events in Rotterdam, Netherlands and Paris to showcase Trinidad and Tobago and to seek out opportunities for assistance in the economic, education, anti-crime and anti-narcotic fields. The High Commission in London also organized similar trade and investment seminars in the UK and with Trinidad and Tobago's Europe-based Honorary Consuls.

The involvement of the Ministry of Foreign Affairs in the area of international trade must be considered in the context of its mandated responsibilities and facilitative role vis-à-vis other government and private sector institutions. Our Missions in Brussels and Geneva have interacted with these institutions providing them with invaluable resource documents and working papers and they have participated in various meetings and seminars.

Given the dynamic character of international trade and economic relations, much of our work is ongoing and, in this regard, the Ministry of Foreign Affairs has been able to participate in the drafting of the national policy for the certification of service providers. Technical guidance has also been provided to the investment subcommittee, which has been considering a list of countries with which Trinidad and Tobago may wish to negotiate bilateral investment treaties.

With less than three months to go before the World Trade Organization convenes its Sixth Ministerial Meeting in December in Hong Kong, it is reassuring to note that the discussions shall not only focus on trade, but on issues that are central to the 2005/2006 budget, namely, ways to reduce poverty, promote growth and help developing countries to integrate into the global economy.

Of equal importance to Trinidad and Tobago's economic development trade expansion is the negotiation of the free trade agreements; not only the Free Trade Area of the Americas (FTAA), but also the negotiation of agreements with Canada, Central America and Mercosur. Our Mission in Geneva has therefore been closely monitoring discussion in the Regional Trade Agreements Committee of the World Trade Organization.

Mr. Vice-President, the sugar industry continues to be an important sector within Caricom. It not only provides employment for thousands, but it also is an important foreign exchange earner. At the recently held Fourth Session of CARIFORUM-EU Principal Negotiators in St. Lucia, it was reaffirmed that the European Commission's proposals on sugar would have far-reaching and devastating consequences for ACP sugar producers.

The current reform proposal identifies a 39 per cent reduction that is to be phased in over a four-year period. Should this be implemented, there would be an estimated loss of revenue earning of approximately US \$100 million for the CARIFORUM sugar exporting countries. Indeed, Mr. Vice-President, one Caricom country has already declared that it would be getting out of sugar, that is St. Kitts, because of the rigours that this new regime has occasioned on their national exchequer.

In this regard, Government's decision to restructure Caroni (1975) Limited was timely. In terms of the consideration given to the diversification of the sugar industry, Trinidad and Tobago, as a member of the Food and Agricultural Organization (FAO), can turn to that body for technical assistance in the development of an agricultural policy and for support in the planning and drafting of effective legislation to address emerging needs. Trinidad and Tobago's overseas missions, therefore, stand ready to source reliable markets for those agricultural products identified in the Prime Minister's budget statement.

It is equally important for local entrepreneurs to be aware of international trade fairs and expositions which provide positive outlets to showcase products. Our missions and honorary consuls have assisted in the past in this area and shall continue to monitor plans for the staging of these events, facilitating the provision of the necessary details in a timely manner. Our overseas missions shall also continue to lend technical support to line ministries desirous of hosting regional, hemispherical and international events, including conferences in Trinidad and Tobago.

In this context, at the recently concluded Fourteenth Meeting of Ministers of Labour of the Hemisphere, Trinidad and Tobago was selected, by acclamation, to host the Fifteenth Meeting of Ministers of Labour in the year 2007. This activity could be used to promote Trinidad and Tobago as the centre of the Americas and an ideal location to conduct business.

In furtherance of the objectives of transforming Trinidad and Tobago into the business and financial hub of the region, efficient and reliable air transport links are necessary. At the ACS Summit held recently in Panama, Trinidad and Tobago signed a Memorandum of Understanding with that government regarding the negotiation of an air transport agreement between our two countries.

5.30 p.m.

Mr. Vice-President, I now come to the question of poverty reduction and social development. The issue of poverty reduction and social development remains critical to Trinidad and Tobago's economic development. The Ministry of Foreign Affairs shall, therefore, participate in the negotiations of a social charter of the Americas in keeping with Resolution AG/RES.2139 of the OAS General Assembly, which calls for the preparation of:

“...a draft Social Charter of the Americas and Plan of Action, which would include the principles of social development and establish specific goals and targets that reinforce the existing instruments of the Organization of American States on democracy, integral development and the fight against poverty.”

In respect of the latter, emphasis will be placed on poverty reduction, social inclusion, children, youth, the elderly, other vulnerable groups in the society, and the provision of quality health care, equitable access to education and housing.

The following is a list of the programmes currently covered under poverty eradication programme:

Micro Credit Programme;

Poverty Eradication and Equity Building in Trinidad and Tobago;

Restructuring of the Social Services Delivery system for Trinidad and Tobago;

Expanded Small Grants Programme—The main objective of this programme is to provide financial support to improve the lives of vulnerable groups in the poorest communities and to promote healthy family lifestyles; and

Preparation of a National Gender Policy Plan for Trinidad and Tobago.

Our overseas missions, especially the permanent mission to the United Nations in New York, shall continue to monitor the discussions on social development issues, while articulating our domestic plans to address poverty in that important multilateral forum.

I now come to the question of health. In this area, the Government of Trinidad and Tobago has a responsibility to, *inter alia*, provide reliable and quality health care to all the citizens. Our missions have therefore been exploring ways to complement domestic programmes. In an attempt to facilitate access to health care to visitors to the United Kingdom, Trinidad and Tobago and the United Kingdom agreed to enter into a bilateral health agreement that would enable visitors of either country, who do not have insurance and are fallen ill, to gain access to health facilities in each other's country. The text of this agreement is now being negotiated for finalization.

With regard to HIV/AIDS, the health sector in Trinidad and Tobago has received financial assistance from the 9th European Development Fund. With the election of Trinidad and Tobago to the chairmanship for CARIFORUM, in that capacity, the Minister of Foreign Affairs now has an opportunity to ensure the furtherance of our national priorities in this area, through the objective articulation of our goals in this regional platform. CARIFORUM is the highest political forum of foreign ministers of Caricom, Cuba and the Dominican Republic, which represent the Caribbean region before the European Union.

I now come to the area of disaster preparedness. The impact of natural disasters on small island developing countries continues to be a source of great concern. It will therefore be true to state that no amount of preparation could ever be too much. Comprehensive disaster relief that would include disaster management, preparation, prevention and mitigation, must be an integral part of the country's education and sensitization programme.

Trinidad and Tobago has not only committed itself to engaging in the disaster prevention and mitigation function but, through the Ministry of Foreign Affairs,

has also engaged actively in providing support to Caribbean countries affected by natural disasters.

In the aftermath of Hurricane Ivan and the flooding in Guyana, Trinidad and Tobago provided assistance of TT \$10 million to Grenada and supplied drainage pumps to Guyana, at a total cost of TT \$4.5 million. Trinidad and Tobago has also collaborated closely with the Caribbean Disaster Emergency Response Agency in this regard.

Conversely, Tobago benefited from a US \$500,000 donation by the Government of the United States of America for hurricane recovery assistance, in the aftermath of Hurricane Ivan, which affected the island in 2004. Given the disaster suffered by parts of the southern United States, in the wake of Hurricane Katrina, the Government of Trinidad and Tobago, as a gesture of goodwill and concern, donated US \$2 million towards relief efforts in that stricken area.

As a signatory to the agreement for a regional cooperation in the area of natural disasters of the Association of Caribbean States, Trinidad and Tobago fully subscribes to the views expressed in the Panama Declaration 2005, which states:

“The best way to combat vulnerability to natural disasters is to integrate disaster management and risk reduction into development policies and plans at all levels of our government.”

Mr. Vice-President, the Ministry of Foreign Affairs, in collaboration with the relevant agencies, shall participate actively in the development of an OAS plan of response to man-made disasters in the Caribbean. This plan shall also address natural disaster mitigation and response strategies.

Furthermore, in the context of European Union/ACP collaboration, the ACP has been successful in securing the establishment of an ACP Natural Disaster Facility, of which 12 million Euros, that is TT \$1.5 million, has been made available for natural disaster-related projects. The Ministry of Foreign Affairs shall liaise with the relevant national and regional stakeholders to access this source of funding.

I now come to the question of development through technical cooperation. Within the scope of our international relations, Trinidad and Tobago has signed agreements with many countries in the sphere of double taxation, visa abolition, bilateral trade, intellectual property rights, bilateral investments, mutual legal assistance in criminal matters, extradition, investment promotion and protection and technical and scientific cooperation. These various agreements have secured bilateral, technical, scientific and educational assistance from foreign countries in a

range of areas including nutrition, agricultural biotechnology, fisheries development, maritime services and Spanish language training.

A number of scholarship opportunities for degree programmes for our nationals have also been obtained. Through its regular contacts with various countries, the Ministry of Foreign Affairs has been able to facilitate the award of training scholarships to a number of ministries. For example:

- Three officers of the Ministry of Agriculture, Land and Marine Resources were nominated to participate in a two-week Bio-Fertilizer Technology Project in Mexico, from April 11 to 22, 2005; and
- Trinidad and Tobago nationals have also benefited through the training programme for teachers of Spanish for the introduction of Spanish as a second language.

In 2005, the training programme was held in Kingston, Jamaica with participation by three teachers from Trinidad and Tobago.

In the case of Brazil, there is the possibility for the creation of greater opportunities for increasing dialogue and exchanging information and experiences in race relations and culture.

There was research into and consideration of Brazil's partnering with Trinidad and Tobago in the area of airplane maintenance, servicing and the manufacturing industry and reviewing cooperation with a view to concluding a scientific and technical cooperation agreement that could benefit Trinidad and Tobago in areas such as education, training, health information and communication technology, tourism, agriculture and social services.

In the case of Chile, the visit of the President, His Excellency, Ricardo Lagos, prompted proposal and negotiations for cooperation in the energy sector, technical cooperation and Spanish Language Immersion Programmes in Chile. The conclusion of agreements of double taxation treaty, as well as visa waiver and air services, and the investment promotion also formed part of those discussions.

Additionally, a number of our Latin American neighbours, including Colombia and Venezuela, have also shown interest in developing greater collaboration in Trinidad and Tobago's energy sector.

In the area of security, the Governments of Trinidad and Tobago and Venezuela are pursuing dialogue on issues of mutual interest that affect the security of either border and the well-being of each country's citizens. The issues include joint actions to combat the illegal traffic in drugs and arms and joint

actions for the prevention and control in the traffic of persons. It is to be noted that Trinidad and Tobago is viewed as being ideally located to be considered the centre of the Americas. In this regard, the Government is exploring the feasibility and possibility of the extension of an air service link from Trinidad and Tobago to southern South America. Such enhanced linkages would facilitate the freer movement of goods and services; the importance of which could be viewed in light of efforts to diversify the economy. To this end, the Ministry of Foreign Affairs has been holding exploratory discussions with the Governments of Brazil, Argentina and Chile, in response to their enquiries and expressions of interests.

I now come to Caricom and Caribbean affairs. Regional integration, as well as the deepening of Trinidad and Tobago's bilateral relations with Caricom member states and other countries of the region, shall continue to remain high foreign-policy priorities for the Government of Trinidad and Tobago. These goals which have served as the pillars of our regional foreign policy, since independence and over the years, have met significant success. We must, however, be mindful of the fact that our goals may be constrained by external factors. In this regard, Trinidad and Tobago is cognizant of the fact that the current international and economic environment is characterized by the high energy prices and that global trade is dominated by a relatively small number of countries. These scenarios pose serious challenges for many of our neighbours. In addition, the gradual erosion of trade preferences for traditional export crops is creating further pressures for many of the region's already vulnerable economies.

In the face of such challenges, Trinidad and Tobago is wholly committed to the development of the countries in the region and in fulfilment of this objective, shall continue to contribute both at the bilateral and regional levels.

We must also be mindful of the fact that Caricom represents an important export market for Trinidad and Tobago. Over the period 1999—2004, our trade surplus with the region has averaged over US \$700 million. Since thousands of local jobs depend on the economic viability of our Caricom partners, it is in our interest to provide assistance in their time of need. The decision to establish the Petroleum Stabilization Fund, in the amount of TT \$300 million and the Caribbean Trade Support Programme, in the amount of the TT\$100 million, must therefore be viewed as an integral part of Government's regional foreign policy thrust.

The purpose of the Petroleum Stabilization Fund is to finance poverty alleviation projects and natural disaster mitigation measures and recovery efforts, while the Caribbean Trade Support Programme is designed to assist Caricom

states with enhancing their economic performance, by fostering diversification and improvement in the trade capacity.

During the period 2004—2005, Trinidad and Tobago participated actively in the Councils and Organs of Caricom, and we are set to intensify our levels of involvement in the coming months. For Trinidad and Tobago, the assumption of the hon. Prime Minister of the Chairmanship of the Conference of Heads of Government of Caricom, shall be the focal point of our engagement with Caricom over the period January 01—June 30, 2006.

In accordance with the established tradition of the community, Trinidad and Tobago will host the 7th Inter-sessional Meeting of Heads of Government of Caricom in Port of Spain, from February 09—10, 2006. The Ministry of Foreign Affairs will be responsible for organizing the Inter-sessional Meeting and shall, undoubtedly consult other ministries and government agencies during the preparatory process. Moreover, the Ministry of Foreign Affairs shall provide the necessary support to the hon. Prime Minister during his tenure as Chairman of the Conference of Heads.

Another important issue for Trinidad and Tobago is the state of readiness of other Caricom member states for the Caricom Single Market and Economy. The new implementation date for the Single Market and Economy is January 01, 2006, and Trinidad and Tobago will be ready by that date.

We remain steadfast in our position that the CSME is the most effective vehicle for enhancing regional competitiveness in the production of goods and services and the free movement of skilled persons within the region.

The Ministry of Foreign Affairs shall focus on the implementation of the single economy and shall work on issues related to the harmonization of fiscal policy, investment policy, incentive policy, corporate taxation, financial services policy and the development of monetary cooperation and union and capital market integration.

5.45 p.m.

With respect to the free movement of skilled persons, from 2001 to September 08, 2005, Trinidad and Tobago approved 607 Certificates of Recognition to Caricom nationals. Of this total, 175 have been granted to nationals of Jamaica; 112 to nationals of Trinidad and Tobago; 93 to nationals of Guyana; and 64 to nationals of Barbados.

The committee established to review applications for Certificate of Recognition of Caribbean Community Skills Qualification, which is chaired by the Ministry of Foreign Affairs, has received applications from nationals of every

Caricom country and shall continue to facilitate the movement of university graduates, sports persons, musicians, artistes and media workers.

Within the context of Caricom, it is also noteworthy that the hon. Prime Minister has lead responsibility for crime and security in the Caricom Quasi-Cabinet and over the next year Trinidad and Tobago officials shall be working assiduously to further the implementation of the newly created Council for Crime and Security and its constituent elements. Crime and security issues are also priority concerns for Caricom member states and we intend to work towards formulating and executing regional strategies to address transnational threats such as trafficking of drugs and small arms as well as light weapons.

Mr. Vice-President, in the context of hosting the Cricket World Cup 2007, security arrangements remain a critical component of the regions' preparations. To this end, Trinidad and Tobago continues to actively participate in discussions within the framework of the Prime-Ministerial Subcommittee on Cricket and is currently attempting to secure extraregional technical assistance in counter-terrorism techniques.

Other Caricom issues of anticipated interest to the Ministry of Foreign Affairs over the next 12 months include the development of Caricom relations with the Russian Federation and India, as well as the strengthening of relations with Canada, Colombia, Cuba, Dominican Republic, Japan, United States of America and Venezuela.

Mr. Vice-President, this brings me to the Association of Caribbean States (ACS). The Ministry of Foreign Affairs has responsibility for coordinating all matters relating to the ACS and participates as well as monitors progress made in the four thematic areas of trade, sustainable tourism, transport and natural disasters.

In December 2004, The Hon. Minister of Trade and Industry was reelected to serve a special term as Chairman of the Special Committee on Trade, Development and External Relations. The Annual ACS Business Forum is currently taking place in Guadeloupe and Trinidad and Tobago is being represented by a delegation comprising officials from the Ministry of Trade and Industry and the Minister of Foreign Affairs, as well as representatives from the private sector.

Trinidad and Tobago also serves as the Vice-Chairman of the Special Committee on Budget and Administration and as the Second Vice-Chairman of the Council of National Representatives of the Special Fund. The Ministry of Foreign Affairs shall be monitoring the implementation of the Panama Declaration which was adopted at

the Fourth Summit of ACS Heads of State and Government recently held in July in Panama City.

I now come to the area of the Americas. It is recognized that the challenges posed by trade liberalization in a globalization world, the dynamics of the international economic environment, as well as the need for small states such as Trinidad and Tobago to increase the competitiveness of their goods and services in regional and international markets, necessitate the formation of alliances with friendly states at the bilateral level and multilateral fora with a view to furthering mutual economic and technological development.

To achieve the country's overall development objective of economic growth with equity, the Government's foreign policy has been directed at developing stronger and closer South-South bilateral relations with countries in the North, South and Central America. Our relations over the years though not limited to, have extended to states such as Canada, the United States of America, Mexico, Brazil, Costa Rica, Chile, Argentina, Venezuela, Colombia, Peru, Bolivia, the Dominican Republic, Uruguay and Paraguay.

Mr. Vice-President, I now come to the Organization of American States (OAS). Through our participation in the Organization of American States (OAS) and other regional organizations, Trinidad and Tobago continues to seek opportunities for its nationals. Some now hold senior positions in these organizations, and others continue to be recognized for their diplomatic skills by being selected to monitor the electoral process in Presidential elections in the hemisphere, or to chair meetings at various levels.

Within the ambit of the OAS, Trinidad and Tobago has joined other countries to support efforts against the scourge of terrorism. In 2002, this country became a signatory to the Inter-American Convention Against Terrorism. In February 2005, the Ministry of National Security and the OAS hosted the Inter-American Specialized Conference on Terrorism (CICTE) and Trinidad and Tobago assumed the Chair of CICTE for the period 2005/2006. Our distinguished Minister of National Security holds that position.

Through the OAS, under the Special Multilateral Fund of the Inter-American Council for Integral Development (FEMCIDI), this country has been the recipient of development funding for projects in areas such as, teacher training in education, HIV/AIDS, information technology, Spanish language curriculum and training, and the role of civil society. All these areas feature in the country's development agenda.

Our responsibility to the tenets of the Inter-American Democratic Charter can be seen in our commitment to economic growth and social development based on justice and equity and the fight against poverty. At the recent OAS General Assembly in Fort Lauderdale in June 2005, the hemisphere's Foreign Affairs Ministers adopted the Declaration of Florida, entitled "Delivering the Benefits of Democracy".

In that declaration, the Foreign Ministers and other heads of delegations from 34 member states undertook to continue building on the ideals and commitments set forth in the OAS Charter and in the Inter-American Democratic Charter, and to "working together to advance shared political and economic values to make this a hemisphere of democratic, stable and prosperous nations.

Foreign Ministers also emphasized that Governments must be responsive to the legitimate aspirations of their people, and must work to provide their people with the tools and opportunities to improve their lives in order for democracy to prosper.

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. [*Hon. Dr. L. Saith*]

Question put and agreed to.

Sen. The Hon. K. Gift: Mr. Vice-President, thank you. I was now getting into the thicker part of my contribution, Sir. Trinidad and Tobago shall be a participant at the Fourth Summit of the Americas which will be held in Argentina in November, 2005. The Summit of the Americas process, which focuses on improving the socio-economic well-being of all citizens of OAS member states, has as its central theme: "Creating jobs to fight poverty and strengthen democratic governance." This theme underpins the core development strategies of Trinidad and Tobago and all other member countries. Mr. Vice-President, as far as I am aware, I think the delegation from Trinidad and Tobago would be headed by the hon. Prime Minister.

I now come to the question of the Free Trade Area of the Americas (FTAA). As the eyes and the ears of the Government abroad, the Ministry of Foreign Affairs has conducted a rigorous campaign aimed at securing Port of Spain as the site of the Headquarters of the Secretariat of the FTAA. A number of productive and positive missions were undertaken in collaboration with our Caricom neighbours during 2004 and at the beginning of 2005. Even as efforts are being made to restart the

actual negotiations on the agreement, Trinidad and Tobago has maintained its unwavering position of becoming the headquarters of this hemispheric trade bloc, and still remains a front-runner among aspiring candidates.

In this regard, Trinidad and Tobago has now garnered the support of some 18 countries in the Caribbean and Latin America, in its bid for the permanent headquarters, the most recent supporter being the affirmation of Chile's support during the visit of His Excellency Ricardo Lagos, the President of Chile in February 2005 and the reiterating of that commitment during the visit of the Prime Minister to Chile later in the year.

On the question of Africa, Asia, the Middle East and the Pacific; Trinidad and Tobago enjoys close and friendly relations with many countries in Africa, Asia, the Middle East and the Pacific region. As a large percentage of the developing countries on the globe are located in these regions, Trinidad and Tobago believes that close relations with these countries are important, as cooperation and solidarity among developing countries may be the only effective strategy for small developing states like ours to compete and prosper in the international arena.

In this regard, the Ministry of Foreign Affairs maintains close relations with resident diplomatic missions in Port of Spain, Caracas, Kingston, and Havana, and coordinates cooperative activities with foreign governments. A summary of the bilateral relations with these countries over the past year is outlined hereunder.

The People's Republic of China: Trinidad and Tobago enjoys good bilateral relations with the People's Republic of China. The closeness of our relations was underscored when the Vice President of the People's Republic of China, His Excellency Zeng Qinghong opted to visit Trinidad and Tobago from January 30 to February 01, 2005, to hold bilateral talks with the hon. Prime Minister of Trinidad and Tobago while on a visit to Latin America and the Caribbean. During this visit several agreements including a Framework Agreement on the Provision of a Concessional Loan of TT \$152 million was signed.

This agreement shall provide the necessary funds for the construction of a cultural facility. An agreement on Economic Cooperation, extending a grant to the Government of Trinidad and Tobago in the sum of TT \$7 million and a Cultural Agreement were also signed on this occasion.

The People's Republic of China has targeted Latin America and the Caribbean as important players in its current developmental programme. In this vein,

Trinidad and Tobago participated, both at the official and private sector levels, in the Inaugural Caribbean-China Economic and Trade Forum which was convened in Jamaica from February 02, 2005 to February 03, 2005. At the conclusion of this forum, a Guiding Framework was signed which outlines mechanisms for future economic and trade relations between the participating Caribbean countries and China. Mr. Vice-President, as you are probably aware, Trinidad and Tobago also enjoys a very favourable market situation regarding the sale of asphalt to the Republic of China.

In the case of Japan, the Ministry of Foreign Affairs has continued to coordinate the ongoing projects for the promotion of sustainable marine fisheries resource utilization, which focuses on, inter alia, fishing technology, marine engineering, fish processing and resource management. Technical assistance under this project includes provision of equipment and experts. In May 2004, a Japanese team concluded that the scheduled completion date of 2006 was achievable.

Relationships between Japan and the Caricom region continue to be coordinated through the mechanism of consultations at the official level. The tenth such consultation was convened in August 2004, and priority areas identified for cooperation for the years 2004/2005 would be conducted with the various Ministries of Foreign Affairs of the Caribbean countries.

The Republic of Korea: Cooperation initiatives with the Republic of Korea have centred on the donation of computer equipment and vehicles, and offers of training have been identified in several areas, including diplomacy. In this vein, the Republic of Korea has offered to donate computer equipment and a minivan to the value of US \$50,000 to the Ministry of Foreign Affairs.

Mr. Vice-President, while I am on the subject of Korea, I wish to inform this honourable Senate that Korea has also decided to reestablish an embassy in Port of Spain. Information to that effect would be confirmed in writing and the details worked out thereafter.

Mr. Vice-President, this brings me to the Federal Republic of Nigeria. Relations between Trinidad and Tobago and the Federal Republic of Nigeria were given a fillip when His Excellency President Olusegun Obasanjo visited Trinidad and Tobago over the period July 30 to August 02, 2005.

6.00 p.m.

During his visit, an MOU which served to expedite the processes for the early conclusion of the Bilateral Air Services Agreement was signed. Staff officers of

the National War College of Nigeria also visited Trinidad and Tobago in an effort to deepen cooperation between both countries in the area of defence.

The Trinidad and Tobago mission in Nigeria continues to promote trade, tourism and the culture of our twin-island Republic. In this regard, the High Commission in Abuja has promoted the following activities:

1. For Emancipation Celebrations, Mr. Earl Lovelace, novelist, was invited to present the Inaugural Lecture in the High Commission's Emancipation Lecture Series. His theme was "The Struggle Continues".
2. Lectures were held in Lagos, Abuja and Benin City. In Lagos and Abuja, the lectures were co-sponsored by Nigerian Institute of International Relations.
3. Exhibitions by artists Mr. Carlisle Harris and Mr. Norris Iton were held in Abuja from November 16 to 19, 2004.

I now come to the Republic of South Africa. Diplomatic relations between Trinidad and Tobago and the Republic of South Africa were boosted by the commencement of operations there of Trinidad and Tobago's High Commission in Pretoria in December 2004. The High Commissioner assumed duty in February 2005 and presented credentials on April 01, 2005.

South Africa has reciprocated by signalling its intention to open a High Commission in Port of Spain, and to date several teams have visited Trinidad and Tobago with a view to making the necessary arrangements for the opening of its diplomatic mission.

Indeed, the South Africans have realized the potential of doing business and investing in Trinidad and Tobago and its High Commission based in Kingston in August, 2005 organized a trade seminar at the Trinidad and Tobago Chamber of Commerce to allow South Africans to see what investment opportunities exist in Trinidad and Tobago. The trade seminar also sought to encourage investment to South Africa.

As developing countries, Trinidad and Tobago and South Africa have sought to cooperate in several areas. In the sphere of energy, the Deputy Minister of Minerals and Energy of South Africa, and a team of officials visited Trinidad and Tobago on May 05, 2005 to discuss possibilities for cooperation.

This visit was followed up in September by a Mission led by the Director-General of the Department of Minerals and Energy to discuss specific cooperation initiatives with the officials of the Trinidad and Tobago Electricity Commission.

Also, discussions were held with the National Gas Company of Trinidad and Tobago, the Ministry of Energy and Energy Industries, and the Petroleum Company of Trinidad and Tobago. Discussions also focused on the operationalisation of a Memorandum of Cooperation (MOC) with the Petroleum Oil and Gas Corporation of South Africa and the NGC and Petrotrin.

The High Commission shall pursue the negotiations of a cooperation agreement in the field of Art and Culture. Such examples would serve to deepen relations and enrich our cooperation ventures.

I now come to India. In the case of India, Trinidad and Tobago has traditionally enjoyed close ties with India. Through our High Commission in New Delhi we have actively sought to promote trade and other links with this country. Some of the initiatives in this regard are as follows:

- The hosting of a Business Conference in New Delhi during the period April 29 to May 14, 2005;
- The organization of Trinidad and Tobago style Carnival in New Delhi in February this year, with the participation of a number of Trinidad and Tobago artistes;
- The hosting of an art exhibition late last year in New Delhi; and the hosting of a conference in New Delhi this year in association with the Antar Rashtriya Sahayog Parishad on the theme "Opportunities for Investment in Trinidad and Tobago" and "Promotion of Sports, Tourism and Culture".

The importance of relations between both countries has also been highlighted by the visit of delegations from India to Trinidad and Tobago. In May 2005, in commemoration of Indian Arrival Day, the Speaker of the Indian House of Representatives, Lok Sabha, Mr. Somnath Chatterjee and the Secretary of Indian and Overseas Affairs, Mr. S. Krishna Kumar visited Trinidad and Tobago with a delegation of parliamentary officials. Discussions were held with a wide cross-section of national officials.

Mr. Vice-President, I now come to Europe.

Sen. R. Montano: Do quick, you are putting everybody to sleep.

Sen. The Hon. K. Gift: That is all right. Through its missions in Europe, Trinidad and Tobago's interests have been articulated in bilateral and multilateral fora. The Revised Cotonou Agreement, the successor to the Lomé IV Convention, which encompasses the African, Caribbean and Pacific group relationship with the

European Union, was signed by all ACP states at the 30th ACP-EU Council of Ministers in Luxembourg on June 25, 2005.

The review covered four thematic areas; the political dimension; development strategies; investment facility, and the implementation and management procedures.

It should be noted that the ACP Investment Facility, which is managed by the European Investment Bank, provides for loans to ACP countries for projects that would positively contribute to their development. The European Commission has agreed to grant a 10th European Development Fund for the period 2007—2013 to all ACP countries. The value of this Fund is yet to be determined. It is anticipated that it shall not be less than the value of the 9th EDF, which was TT \$98 million in the case of Trinidad and Tobago. In this connection, our Embassy in Brussels has a watching brief on these areas of technical assistance.

The negotiation of the CARIFORUM-European Commission (EC) Economic Partnership Agreement (EPA), which is to come into force in 2008, began in 2004 with the second phase being concluded in September 2005. That phase focused on the process of regional integration and the definition of how the EU could assist in the development and consolidation of regional integration.

Technical discussions have been held with the Caribbean region on market access and regional services and investment. The discussion identified projects that would assist in furthering regional integration and fostering the link between development and trade. Phase III of the negotiations was launched on September 28, 2005, and shall focus on the structuring and consolidating of EPA negotiations.

Mr. Vice-President: Sen. Gift, you have just a minute to wrap up.

Sen. The Hon. K. Gift: Okay, Mr. Vice-President. This honourable Senate would have gotten the bulk of the message. Let me therefore conclude by saying that Vision 2020 beckons us all. We dare not fail in the enterprise. This generation can only be custodians of Trinidad and Tobago and its resources for our children, and the generations yet to come. We must therefore leave behind an enriched legacy, one in which no one is left behind; one in which the resources of the country are equitably shared; where there is respect for the rule of law; and the safety and security of all citizens can be guaranteed.

The country can be confident that the Ministry of Foreign Affairs and its overseas missions will play their part in the achievement of this noble mission. Rest assured that the business of the foreign policy of the Government of Trinidad and Tobago is in competent hands.

I thank you, Mr. Vice-President.

Sen. Basharat Ali: Thank you, Mr. Vice-President. I am very pleased to be able to join this debate on the Appropriation Bill 2006, and by and large I would stay within the energy sector, although I may stray from time to time.

I had cause to read the budget statement of the hon. Prime Minister and Minister of Finance in the other place, and I have heard it described as a good convention speech and it probably is. I have heard it described as a Santa budget, and it probably is, with all the goodies that have been shared out. Every time I hear the term "Santa budget and Christmas" I think in terms of Christmas which is just around the corner, and I think of the Christmas song, the 12 days of Christmas. Every time I read these lists, I am reminded of that song. So when on page 7 of the document I read about 24 mobile police units and sky watch units; four armed helicopters; six fast patrol boats and three offshore patrol boats, I thought the only thing that was missing was a partridge in a pear tree.

The same thing when I looked at the list of energy projects; there we were with five petrochemical plants; one polypropylene complex; two aluminium smelters; three steel complexes; one Train 5, and in deference to you, Mr. Vice-President, missing is a Cocrico in a zaboca tree. So, that is my view of what we had here.

Sen. Dumas: That is rude.

Sen. B. Ali: Rude? I am good, thank you. I do not know what is rude, but I thought it was a compliment, Mr. Vice-President. After the budget statement and the winding up of the Prime Minister and the contribution in the other House of the Minister of Energy and Energy Industries, and that is after five and a half hours, I found that everything was very long on rhetoric and short on details. I am very grateful in fact that the budget maker, himself, hon. Conrad Enill, in 31 pages covered what took the Prime Minister 95 pages, and took the Minister of Energy and Energy Industries a long time, and this I think is an excellent summary for anybody who wants to take a quick read of what the budget is all about. So my congratulations to Sen. The Hon. Conrad Enill on a first-class document.

I would like to speak to a few specific subjects. The first one is subsidy, and let me say that I am pleased that there is a certain amount of rationalization in subsidy by the virtual elimination of the excise tax; it is now down to ten cents for motor gasoline and five cents for diesel and kerosene. So the subsidy in effect would have been reduced by \$559 million, which is the reduction in excise duty.

The hon. Minister—I was not here but he caused quite a bit of controversy by talking about the \$1.4 billion in subsidy in the petroleum products, and I think there was a bit of panic, in fact, in what he was saying. Having done that, if \$1.4 billion is the figure for last year and it remains at that level, then really all the subsidy should be about \$841 million. That is my arithmetic, \$1.400 billion minus \$559 is \$841 million. I worked out that the levy at its cap, which is 4 per cent of the gross oil revenue, should be of the order of \$517 million. That is based on a conservative production of 125,000 barrels a day, and US \$45 oil.

So, I think the provision from the Ministry of Energy and Energy Industries of \$692 may be quite generous; that plus the maximum levy comes up to \$1.209, as against what I said might be \$841. If it is less well that is fine. I think we are getting close to where we want to be. As the controversy rages I am pretty sure there is not going to be any increase in gasoline prices for quite some time; probably after 2007.

The second subject I want to address is natural gas reserves. Last year I had an issue with the hon. Minister of Energy and Energy Industries on some figures which were there. It was not an issue really; it was clarification from some figures which he gave in his budget contribution, which differed from an NGC advertisement, pretty well, on the same page in a certain newspaper. This year I have looked again at the figures from last year which I believe were for January 01, 2004, and I have compared that with the figures which he has given in his contribution in the other House, which would be the reserves as of January 01, 2005.

Let me go down the line, proven, 18.8 trillion cubic feet in 2004; proven for January 01, 2005, 18.774. The hon. Minister there has gone to three places of decimal, I am not so keen on that. I do not know whether he was thinking about the quip by the learned Professor, that it takes three geologists to make one engineer. So, I am sticking to the three places of decimal. On that basis, three geologists equal one engineer.

6.15 p.m.

Risked probable, 5.9 TCF in 2004, 9.028 in 2005—an increase of 3.128 TCF. The risked possible which was 8.6 TCF for last year beginning January 01, 2004 is now down to 7.066, a drop of 1.534 trillion cubic feet. So, for the figures if we add them up for January 01, 2004 would have been 33.3 which is a figure we have dealt with before and the new figure given is 34.868 trillion cubic feet as of January 01, 2005.

Mr. Vice-President, the gas production during the year 2004 averaged 2.843 billion cubic feet per day, so for the year 2004 then production is 1.041, therefore

effectively the proven reserves should have fallen by 1.041 Tcf. The fact that it has stayed at 18.8 means that there is an appreciation in the proven reserves of 1.015. Probable has gone up by 3.128 between January 01, 2004 and January 01, 2005. So, there is that increase in those two numbers, the probable and the proven, and I am not sure where it comes from. My question to the Minister of Energy, wherever he may be—I do not know whether he has come back from the PetroCaribe talks—where have these additional reserves come from? Is it from BHP, is it from British Gas or is it from bpTT? I would like to get an answer to that.

A lot has been said, Mr. Vice-President, on reserves to production ratio and I would like to speak to that because there is a lot of talk about who is right and who is not right, who is being pessimistic and who is not. I would like to address that. The proven reserves as given by the hon. Minister, I have rounded it off now for at January 01, 2005 will be 18.8 and if the average production in 2005 is 3.15 billion cubic feet a day—that is his figure also—then the drawdown or the depletion would have been 1.15 trillion cubic feet. So the proven reserves to production ratio is equal to 16.35 years. By the end of 2006, using the Minister's average again of 3.8 billion cubic feet per day, that is equivalent to 1.387 trillion cubic feet. So if there are no further additions in 2005 the proven reserves is equal to 17.65 and the proven reserves to production is then equal to 12.73 years. So we have gone down below the 15 years.

I believe there are fair grounds for questioning the low proven reserves of the country, the low proven reserves to production ratio. I was very surprised when the hon. Prime Minister in his winding up made a positive spin on this low reserve to production ratio by saying how well we are doing; with these low numbers, we have 10 ammonia plants, et cetera. We know in fact, that right now the National Gas Company does not have any more gas to commit to investors and we are talking about local investors in the local plants, not LNG. We know, for example—and I will be talking about it in a while—that only two of five fertilizer plants have got gas. The reason is that NGC has not got any more gas to sell. Is it because there are not sufficient proven reserves, or is it that the producers are waiting on a final position on the gas fiscal regime? I suspect it may be that. It took close to two years to finalize and to bring to fruition the oil taxation position.

I really thought that in this budget we were going to see the gas taxation regime, and I think many of us on this side expected that, but that is not so. There has been a lot of talk about the Government's successful negotiation of bringing forward the agreement with bpTT on royalty to 10 per cent from the year 2008. It

used to be said that it was 100 million, but apparently it is 50 million this year and 50 million next year and from 2008, the 10 per cent. But the 10 per cent, in fact, as I understand it, is not royalty on all the gas produced by bpTT; it is 10 per cent of the gas that is going into LNG. So I ask, why that differentiation if British Gas produces any—all its production will be on the basis of a certain amount of royalty. Of course, British Gas has a production sharing contract which does not matter to them, in fact, so that is where we are in that.

As I wait on the rest of this fiscal regime on natural gas, I keep hearing about fair market value of gas. The Prime Minister spoke about it, the Minister of Energy and Energy Industries spoke about it, and today my friend there, the Minister in the Ministry of Finance, Sen. The Hon. Christine Sahadeo proceeded to define what she said was a fair market value of gas, starting at Henry Hub and deducting re-gasification, shipping, LNG costs and transportation to the well head, which is fine. That, to me, is not fair market value of gas; it is fair market value of part of the gas, because let us look at it. LNG is not the only gas consuming entity.

Mr. Vice-President: Please give way for the Procedural Motion.

Sen. B. Ali: Oh sorry.

PROCEDURAL MOTION

The Minister of Public Administration and Information (Sen. The Hon. Dr. Lenny Saith): Mr. Vice-President, I beg to move that the Senate continue sitting. We have two more contributions on this side, Sen. Ramroop and Sen. Kangaloo. So at the conclusion of Sen. Kangaloo, would be the last speaker on our side.

Question put and agreed to.

APPROPRIATION BILL (BUDGET)

Sen. B. Ali: Thank you, Mr. Vice-President. As I was saying, that formula is fine for LNG if you start from Henry Hub and you have realistic deductions along the line to the well head. That is fine. I wanted to say that the only time I saw a figure for natural gas, in fact, in any documentation, is in this document from my friend here, Minister Enill, and it gives it at US \$3.75. Now, US \$3.75 per million BTUs or MCF, whichever it is, that sounds like a price for LNG, I am not too sure.

As I was saying, LNG is only part of the products coming from our natural gas. If we look at the numbers, ammonia and methanol, both of them together, account for about 900 million cubic feet a day of natural gas compared to 1.7 billion cubic

feet a day of gas going into LNG. By next week when M-5,000 goes on stream—and I think they are pretty well on stream; I think they have fixed October 26, 2005 for their commissioning—that will be another 175 million cubic feet a day. So we will be at the billion mark for natural gas to ammonia and methanol manufacture. What then is a fair market value of gas going into ammonia and methanol and—as I am going to ask the question later—what is a fair market value of gas going into the production of urea ammonium nitrate and other fertilizer? So I want to get details of all of these things and I do not want rhetoric; I want details as we go along.

Mr. Vice-President, we keep hearing about our natural gas in terms of barrels of oil equivalent per day, it sounds very nice. By the fourth quarter of 2006 natural gas consumption will be of the order of 4 billion cubic feet per day which is equivalent to 713,000 barrels of oil equivalent. That is 4.3 times the oil production of 165,000 barrels per day. So that is the ratio between natural gas and crude oil in terms of oil equivalent. The reality is that we need to get a greater share of the revenue that accrues from our gas resource. Why is it that only oil must subsidize motor gasoline, for example, and why is it that not all gas is subject to royalty?

Those are questions which we have and I do not know when we are going to get the answers. It seems like we might be heading for a natural gas Act, in fact, I am not too sure. I am not in favour of it; I feel we can work within the Petroleum Taxation Act that we have now and not have to redraft and redesign a natural gas Act. It is going to take a long time and, as I say, there are many of the producers out there waiting, but they would not be proving up any gas unless they know what they are going to be in for in terms of taxation.

There is one final point on the question of natural gas production, and that is, what is the status of National Gas Company's flare gas compression facilities? I had raised the question in another debate when the sale of, as they call it, the TSP, the Teak, Samaan and Poui Fields or oil fields of bpTT—when that sale was in progress—what does the statement by the hon. Minister in the other place mean? He said: “With the sale of the field that facility is no longer available to us. Once that sale is consummated, that 100 million standard cubic feet per day that we bring into the country, would have gone away”. That is what the hon. Minister of Energy and Energy Industries said in the other House. I do not really understand it. Are we going to have low pressure gas being flared? Because the facilities are no longer there. Are we going to lose that 100 million cubic feet per day gas which is the lowest cost gas available to the Government? Because all that is involved there is compression cost; the flare gas

is free. Are we going to lose that gas then? What about the personnel who come connected with the flare gas compression facilities?

We need some very, very urgent answers on what is happening there. I have read somewhere where Petrotrin is going to have a 15 per cent interest in the TSP as it is called—Teak, Samaan, Poui Field—but that 100 million cubic feet per day of gas has saved us a number of times from getting into a deep hole. I am close to it, because I was there from the very start of the flare gas project.

6.30 p.m.

Sen. Dr. Saith: We will see what is happening.

Sen. B. Ali: Mr. Vice-President, local content is being again touted as building platforms and CEED programmes, et cetera, but in our new oil taxation policy, we have failed to give support to the local service sector by this new oil taxation regime. I had spoken on their behalf at the July debate on the amendments and today I wish to join with the southern Chamber in expressing their concern that they are still in that vulnerable position, in that they do not have the incentives. They are not that affected by the higher prices and they are in the high cost producing area. I would like very much if greater attention is given to these mainly local independent contractors, who have serviced our oil industry all along and who will remain once they find it economical and profitable to do so.

I want to go on to downstream development and to discuss some of the projects for which we have only had numbers. We heard about five petrochemical plants. I presume that the five petrochemicals plants are nitrogen related plants. I did get some information on these, when I visited with the Minister of Energy and Energy Industries and his team in the month of July; that was in response to my last budget contribution questions. I have gone through that list again; let me just give the details of these projects, because you will find them nowhere else.

The first project I have here, and this one seems to be the most advanced, is the CL Financial project; Point Lisas base. The core unit is an ammonia unit of 1,850 tonnes a day. There are two products coming out of this plant: melamine, which is a base for plastics, et cetera—that is a small plant; it always is a small plant, 180 tonnes per day—and UAN, which is urea ammonium nitrate solution, 32(n) means it is 32 per cent nitrogen. That is the main product; 4,300 tonnes a day, which works out to 1,462,000 tonnes a year. That is a large amount of solution. It is a new product to Trinidad and Tobago and it is going into our market, which is, basically the United States market, because there is not an awful

lot of that, even in Europe, as far as I am aware. The natural gas consumption for that plant will be 70 million standard cubic foot per day.

The second project which is down there—and which I understand that like the CL Financial project apparently has a commitment for gas—is the Ansa McAL Terra project, which is destined for Union Estate, probably the first plant in Union Estate. The core unit there is 2,000 tonnes a day ammonia. The products, anhydrous ammonia, so that is refrigerated ammonia: 857 tonnes a day, that is 291,380 tonnes a year. Once again, UAN 32: 2,857 tonnes per day; that is the solution; 971,380 tonnes a year. Natural gas also would be 70 billion standard cubic foot per day.

Then there is a project, La Brea Nitrogen, which is also supposed to be going to Union Estate. The core unit there is 2,000 tonnes per day of ammonia. The product, anhydrous ammonia, that is export ammonia again, 971 tonnes a day. That comes up to 330,140 tonnes per year and urea ammonium nitrate again 32(n); that is 2,571 tonnes per day, so 874,140 tonnes per year. Natural gas for that project, 70 million cubic foot a day.

The fourth project which I have here, and I believe La Brea Nitrogen is still at this stage, where they do not have gas, is Coffeyville Resources. I know very little about them, except that their plant has all the scope of the La Brea Nitrogen Plant; same ammonia capacity, same ammonia export, same UAN export. That is also, by the way, a Union Estate project. So three projects here, which are destined for Union Estate, CL Financial, at Point Lisas.

The fifth project of that lot, and I thought that these were the five petrochemical projects, Trinidad Energy Investment Limited. I am not too sure where this one is going to be, maybe Phoenix Park, but the interesting thing about this one is that it is a large ammonia plant, 2,857 tonnes a day, as compared to 1,850 or 2,000 of the others. There are two products: anhydrous ammonia again, 1,057 tonnes a day, which is 359,380 tonnes a year and granular urea; a solid product now 3,143 tonnes per day, which is equivalent to 1.069 million tonnes per year. Natural gas consumption for that plant is 100 million standard cubic foot per day.

So outside of the melamine, which is a small plant, 61,200 tonnes a year, we have three fertilizer projects: the anhydrous ammonia total of 1.311 million tonnes a year; urea at 1.069 million tonnes a year and UAN at 4.181660 tonnes per year. That is an awful lot of synthetic fertilizer. If it was natural fertilizer, I would say

that was a lot of bulls, cows—I guess that was lost on you. Total natural gas consumption for these facilities will be 380 million standard cubic foot per day.

I asked the Ministry whether the three Union Estate projects were competing for approval; the short answer was no, they have already been approved by the Government. I had asked if they were competitive, what criteria would be used to decide which one they wanted to go to and for which one you would say, "Sorry, thank you very much." I do not know what drives the decision-making process for all these plants.

As I said, the UAN solution, which is common to all these three projects at Union Estate, is a new product to us. It is a solution; it is 20 per cent water, so we are exporting water too; I presume the Water and Sewerage Authority (WASA) has water for that. I do not know what analysis has, at all, been carried out; what the marketing part of these projects entailed. I know Terra, who is with Ansa McAL; they are well-known in the fertilizer business. They have quite a few UAN facilities in the United States.

La Brea Nitrogen came here and brought a group called Ameropa, which they claimed was the second largest international trader in fertilizers. I have tried to find out who Ameropa is; the people in the industry here do not know who they are. I have been on its website and all I get are addresses in Switzerland and various other places. So who is doing the work on the Government side to evaluate the marketing aspects of these projects?

Looking at those projects also, before I knew about gas values and what not, I asked, "How would you value where, in some cases, you only convert to ammonia to urea to UAN, so you no longer have export products like ammonia or urea, you have only the UAN?" How would you price gas for that? Is it the same formula as for ammonia? I was told, in fact, that it was the ammonia price less a discount, which I found strange, because I believe that there is a concept called "nitrogen values". You can price products on the basis of their nitrogen values. If I do that, for example, for these two products, ammonia and nitrogen, the present price of UAN 32 in the market, New Orleans, Louisiana is \$190 a short tonne and that works out to \$593.75 per short tonne of nitrogen. Ammonia in that same market is going at \$380 a short tonne and that works out at \$462 a short tonne of nitrogen. So there is a big added value there on the nitrogen.

So if you are giving a discount, I want to know why, because they should be making a profit by conversion of ammonia to urea ammonium nitrate. I ask that question again: Have we given serious thought to all these projects, in terms of value

to us? Can we, in one fell swoop, accommodate these projects, not only from the point of view of construction? When you take a new product and a relatively small volume product like UAN and decide that you are going to put 4 million tonnes a year into the market, that is a big amount. It is not like ammonia, which I think runs, globally, at about 100 million tonnes a year demand or nitrogen demand; so that is a bit of a different story from UAN. It is not an international commodity like ammonia. I would like to know who is looking after the shop on these issues.

I go now to another little project called gas-to-liquids. Last year we heard about Petrotrin's optimization process. We also heard about gasoline optimization and I certainly agreed that it was an absolute necessity for self-preservation of Petrotrin. The other project listed there was a gas-to-liquids project for making quality cetane diesel fuel. I do not know how many of us know that, in fact, the gas-to-liquids is not a Petrotrin project, but a joint venture project. I was not here at the time; maybe there was an announcement by the Minister of Energy and Energy Industries on this. I was surprised to learn through the Internet that it was a joint venture project with a group called "World GTL".

I have here what has already appeared internationally, in the Oil and Gas Journal, a reputable journal in the field of petroleum. On September 27, 2005, the Oil and Gas Journal announced that Trinidad and Tobago had approved a small GTL plant. I can read it, because it is not a long article:

"Trinidad and Tobago has approved construction of a \$100 million gas-to liquids (GTL) plant expected to start producing high-quality diesel fuel by first quarter 2007."

That is US \$100 million, by the way.

"According to Eric Williams, the Caribbean island nation's energy minister, state-owned Petrotrin will hold a 33% stake in the plant, to be built at Pointe-a-Pierre, in southern Trinidad. Petrotrin's partner will be World GTL...World GTL, founded in 2000, is run by former executives of ARCO and Royal Dutch Shell PLC. Its chairman, Gordon Barrows, is a chairman of Barrows Com..."

It goes on to say that they would be looking for financing for the project.

6.45 p.m.

It does acknowledge that this is a small plant in comparison with what is there in the world of gas to liquids projects.

“Small in comparison with similar projects elsewhere, the plant will require 18.4 MMcfd of gas and produce 2,250 b/d of diesel.”

Which is only 300 tonnes, but what is significant is:

“The GTL plant is being built with parts from mothballed methanol plants and can be expanded if needed.

Gas for the plant will be supplied by Petrotrin, with more gas to be purchased from Trinidad’s National Gas Co.”

That was a notice from the international field.

My question is twofold: this is not a Petrotrin project and they are minority shareholders, so is this going to be a separate stand-alone plant in the Petrotrin compound? What are the arrangements for the feed and product et cetera? The product will be diesel—[*Interruption*] I would like to know what the arrangements are with only 33 per cent. Who is going to run it and what are the various considerations involved in this small plant? I ask this because I want to know: what is the technology for this small plant which is evidently built to use mothballed reformers and reactors from old methanol plants?

That is not a big plant. If it is Shell technology, Shell has a 12,000 barrel a day plant which has been running in Malaysia for years now and a 12,000 barrel a day plant only takes 120 million cubic feet of gas. That is manageable, and that is a saleable product so why are we going for this mini plant when we are always hyped up about big plants, the largest in the world, et cetera? So I have some serious questions on where Petrotrin is going with respect to that project and how World GTL came into the picture.

Were they brought by Shell Global Solutions who were the people retained as consultants to Petrotrin for looking at overall optimization of the refinery? Is it the Shell process, or is it not? Because there are about five or six competing processes and only two which are commercialized and they are the Shell process and the Sasol process, and Sasol is the big one because it has up to 180,000 barrels per day. Sasol is from South Africa and it is really the leaders in GTL.

Shell, of course, as I mentioned two budgets ago, is big now in Qatar where it is spending about US \$5 billion in installing facilities associated with GTL conversion of gas-to-liquids petroleum products.

The second area which I was confused by is the polypropylene plant. All I know of this one is that it is a world-scale polypropylene plant costing US \$1.4 billion. No location has been named and according to the proposals apparently can

be on stream in 2010. That is all I know from information provided by the Government. That is what it says in the budget.

I suspect this project is driven by a technology supplier, Lurgi, one of the top people in methanol. It has the mega methanol plant and in fact, now advertises the biggest methanol plant in the world and that is Atlas Methanol Plant in Point Lisas, 5,000 tonnes a day. Maybe by next week or week after, we will hear they are not the biggest because this year's CL Financial one may be a little bigger than that one, just over 5,000 tonnes a day.

So Lurgi has this patented process called Lurgi Mega Methanol and I have spoken previously about their new process MTP, methanol-to-propylene and this had been tried out in a demonstration plant in Norway but somehow or other they do not seem to be able to get Statoil, the people in Norway with whom they partnered to run this demonstration plant to get them to put it in. So it would appear to me from the amount of money they are talking about, it is a conversion methanol to propylene, so there are 5,000 tonnes per day of methanol going to propylene and to polypropylene, there are three steps in this complex.

The methanol which is required for this is 1.7 thousand tonnes a year, that is 5,000 tonnes a day of product and the propylene would be 520,000 tonnes per year which is only about 30.6 per cent of the feed. The largest product in fact is water, 55 per cent, and there is a small amount of gasoline, 143,000 tonnes per year and it is claimed to be high octane gasoline and LPG which we export in any case.

This sheet which I have, MTP economics is probably about two or three years old and the natural gas price used in the economics is 50 cents per million btu. So I would like to know what is driving this because who is Lurgi bringing. Lurgi is an engineering company, are they bringing marketing people if so, who are they? Are they in the business of propylene?

I am curious because when the hon. Minister of Energy and Energy Industries spoke in the other place about this I was thinking that now that Train 4 is about to start, we have always been talking about the critical mass of ethane to go the ethylene route, and when Train 4 starts, we have that, we have the critical mass of ethane, so that we should be looking at ethylene manufacture. So from our natural gas we take out the ethane, convert it into ethylene and go downstream into a much wider range of product than you can ever get out of propylene but the Minister said—

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. Mc Kenzie*]

Question put and agreed to.

Sen. B. Ali: Thank you, Mr. Vice-President. I did not know I had used up so much of my time already.

The hon. Minister in the other place said: "We are moving forward with the polypropylene approach because there are some issues with the polyethylene when we look at the global market strategy", whatever that means. I would like to know if we have put polypropylene ahead of polyethylene why that is so. I know we have done quite a lot of work and there were people interested in going the ethane to ethylene to polyethylene route.

Mr. Vice-President, aluminium smelters. There are still two smelters on the table with very little commentary to where we stand on these projects except that our royalty gas would be used to make these projects go.

Let me quote extracts from two documents, the first from a Government motion in Parliament on Energy Resources (Development Policy) on March 09, 1979. That is a long time ago.

"A key element of the economics of the smelter would be the cost of electricity, based on the use of natural gas as a fuel. The Co-ordinating Task Force, in conjunction with T&TEC, has addressed itself in-depth to the formulation of power pricing strategies which would ensure that Government does not subsidize electricity to be supplied to the proposed smelter."

That was in a debate of a Government motion by the Minister of Petroleum and Mines and Minister in the Ministry of Finance, Hon. Errol Mahabir.

The second quote comes from the Budget Speech 1981 dated Friday, December 05, 1980 and it is also on the smelter. I will read it, if I use up my time, fair enough. It says:

"As regards the Aluminium Smelter Project, while there are many attractive features to this Project, its size and complexity are such that some additional work is required before a final decision can be taken. Included in such work are:

- (i) drafting of marketing agreements;
- (ii) obtaining formal commitments for financing;
- (iii) partnership agreements and company structure;
- (iv) the supply of alumina with its regional implications.”

And the item on which I would like to stress.

- “(v) the finalization of specific proposals on down stream industries—a prerequisite imposed by the Cabinet on any consideration of the Smelter Project;
- (vi) all the implications for the country of the establishment of a large power block of electricity needed for a Smelter.

The Minister of Finance has requested the National Energy Corporation to complete this remaining work by March 1981 so that firm and final decisions may be taken. The Aluminium Smelter Project has been under consideration over the past ten years and decisions will have to be taken whether to proceed with or abandon the Project early in 1981.”

Mr. Vice-President, the words of Dr. The Honourable Eric. Eustace. Williams, Prime Minister and Minister of Finance in his final budget speech in this country.

I think it is time for us to put up or shut up on the aluminium smelter. While on the subject of projects, I have said before the Government should take steps to bring to Parliament a motion seeking endorsement of its energy development policy and I say so again today, particularly in the context of a statement by the hon. Prime Minister in his winding up saying that we are going to have more statements by Ministers. That is not acceptable; a statement by a Minister is not debateable. What we need is debate and endorsement by Parliament of all that is happening within the energy sector and I say so once again.

I would like briefly to address some of the issues raised by Sen. C. Sahadeo. I spoke already on fair market value of gas, and I do not intend to go any further on that.

7.00 p.m.

On the subject of these new state companies, I have spoken already on that; I have spoken to you privately on it. As far as I am concerned, the jury is out on that and I will leave it at that. I saw the list of the additional companies. In fact, I was rather surprised with those 10 names there. When I saw NEC and that the Minister of

Energy and Energy Industries was talking about NEC probably getting involved in building gasoline stations, I said: “That is the Minister of Energy and Energy Industries statement? “Probably”, he said, “we are building gasoline stations.” I asked how could that be? Is there not an established company called National Petroleum Marketing Company with a competent person as its chairman?

Sen. Dr. Saith: That is an uncorrected *Hansard* you have there.

Sen. B. Ali: Well, I do not know that. Maybe it is unrevised, as they say. Anyway, it is NEC that was said there, so I do not know. I would not hold my breath in this; I will wait to see what happens. I am not very hopeful that it will come out as it is, especially as it is going to take until June next year to have the new procurement policy in place. If I had \$5,000 I would have gone to NIDCO and bought one of their set of tender documents to see what it is all about. I believe I saw it advertised yesterday, for NICDO on the overpass project.

With regard to profitability of state enterprises, I am pleased that the state enterprises are profitable, but I wonder if you take out the energy-based projects like NGC, Petrotrin, even from NEL if you take out Tringen, where are we? I know NEL was having some trouble because of the NFM shares going down, et cetera. But if you take the energy-based projects out of NEL, I think they are in trouble, because you have Tringen there; I think part of Phoenix Park is also in there.

Sen. Dr. Saith: TSTT.

Sen. B. Ali: Yes, TSTT was for a while, and NFM was one that was bringing them down. So I am not really convinced.

On the question of the tax regime, I am really surprised. Okay, we did get apparently an additional \$1 billion. I do not know whether that includes retroactivity for the year 2004, but the two companies that are really paying tax and coming into the coffers directly would be bpTT—and their production has fallen from 45,000 to 32,000 as we go along, and the big producer, in fact, is Petrotrin. So Petrotrin must be paying a good part of the SPTs from their 58,000 barrels a day.

With regard to the production-sharing contract; it does not matter to BHP Billiton, all they will get is a little chit saying: “Well, I have paid the supplemental tax.” That is why for the first time we see in the budget documentation, revenue profits from production-sharing contracts, \$418 million, or some number to that effect. My friend there will certainly know the number better than I do. That is the net amount of profit. The rest of them, really, BHP Billiton would be neutral on that, because all they do is get tax certificates from

the Minister of Energy and Energy Industries or the Ministry of Finance, or royalty and whatever else; the corporation tax, SPT, all of these things if they are in their contract. That is what they get. It comes out of the Government's share, so there is no benefit there, so let us not count on all of that.

That is where I would like to end, on the energy sector, with just about five minutes left, I presume. I was hoping that the hon. Minister of Education would be here because I wanted to have a short word on the Servol story, which is very close to my heart. My family and I are close friends and supporters of the Servol organization; have been so since mid-1975. We have followed Servol through Duncan Street, through St. Barbs and Beetham and I was really taken aback when I got the address Father Gerry Pantin had given at one of his graduation ceremonies. I am hoping that this controversy will be sorted out. I believe there is a compromise on the way. A simple thing like salaries for these teachers which, apparently, had been approved, were not paid. Sixteen hundred dollars per month for teachers in the Early Education Training Programme is barely \$9; the bare minimum wage.

Sen. Dumas: You had better check your information.

Sen. B. Ali: What information do you want me to check?

Sen. Dumas: You have to check your information about Servol and the teachers and what it is about.

Sen. B. Ali: I am not going to get into the controversy because I understand that there is a conciliation going on and I would like to make an appeal, particularly for the Adolescent Development Programme where they have been asking for \$18 million and they even had less than the previous years' budgets. I hope that we would do something because that is one NGO which has performed. Let us use it and build on it, not break it down.

Sen. Dumas: We cannot let it take over the education system.

Sen. B. Ali: As I say, I am not entering into the controversy. I understand from the Servol people; I talk to them; I have all the data; the press release, everything—if it is all fixed up I will be very happy and Servol would be very happy.

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

The Minister of State in the Ministry of Science, Technology and Tertiary Education (Sen. The Hon. Satish Ramroop): Mr. Vice-President, I rise also to make my contribution to the 2006 budget debate. I would really have liked Sen.

Baksh to be here because I wanted to base my contribution today on performance, since he spoke yesterday about his performance and his administration's performance. I just want to highlight some of the aspects.

As we look at the contributions made in this Senate during the period of time—and yesterday Sen. Rocke mentioned that she wanted to speak as a mother, someone who has a child and had to do her chores and wanted to understand how it feels and looked at the budget at that level. I also want to look at it, because sometimes in the area in which I live we also associate with individuals; just as Sen. Basharat Ali mentioned that he has associated with individuals and he is associated with Servol and they feel alienated by some of the decisions, and what have you, I also feel something, but I am happy to be part of this Government with our policies and what we have introduced, and also this budget.

What we see happening is that most people present what they feel and what maybe did not come their way within the budget and not what is represented for all. I feel personally that all levels benefited from the 2006 budget. [*Desk thumping*] The hon. Senator was in housing at one point in time and we saw in his whole tenure just a mere 400 houses were built for the six years, yet he talks about performance. Then these things were built also with no stated policy. Many times Senators ask: What is the policy? You have no housing policy; you have no policy for this; you have no policy for that. But yet they themselves went ahead and did these things.

In our administration we see from 2002 to now that there is a housing programme; not only that, but it is being implemented so that housing would be affordable to all citizens, regardless of gender, race, religion or political affiliation. Also from 2002 to present, we see construction of approximately 9,000 homes and we are not completed. How do we weigh the performance of 400 houses in the six years they were in office against our administration which has been only in office a mere two years? How do you weigh the performance?

The former administration also talked about the squatter communities. We see the development by squatters all over the place. What happened was that plots of land were given out. We have introduced a Squatter Regularization Programme which provides infrastructure, lights, roads, sewerage treatment facilities and water, and we are now establishing these squatter communities. But what we saw in the former administration was provision for housing lots, many of which were not utilized by the squatters and they became the squatter communities. For example in central, I could talk about Cashew Gardens—a total squatter community. What

we are doing now is retaining those lots and putting in proper infrastructure. How do you weigh the performance from what was done then to what is now being done, where citizens are benefiting from the housing policy?

All the NHA apartments are being refurbished. The hon. Dr. Keith Rowley was here earlier and I am certain tomorrow he would come and speak about that, so I do not want to speak on his portfolio. I just wanted to touch on some with regard to what was done then and what we are doing. That, I consider proper and well done by the Ministry of Housing. [*Desk thumping*]

I want to touch on a small aspect of the Ministry of Health. We see the Chronic Disease Assistance Programme (CDAP). Since its inception it has provided free prescription drugs for citizens, and because of the success of that programme we went on to include other chronic diseases, such as diabetes, asthma, cardiac diseases, arthritis, glaucoma, mental depression, high blood pressure and enlarged prostate. This programme now includes all citizens. I repeat: This programme now includes all citizens under medication for these chronic diseases. Today, over 150,000 persons are now benefiting from free medication through the CDAP. What do you call this, not performance? [*Desk thumping*]

We saw that MRI scans are being done for the first time at our public health facilities from October 2004. Since the launch of this service, 2,569 scans have been done, and it is not just that we are talking about it, but we are also letting the population know. This, also, I consider performance. In the last 12 months, 4,481 CT scans were done at the nation's public health institutions, compared to 2,212 done the previous year. This represents, within the two years, an increase of 100 per cent. This also is performance by the Ministry of Health—[*Desk thumping*]—and we are being chastised for not performing; we do not have a proper budget and this is a Santa Claus budget. I mean, it really hurts sometimes. Maybe some of us do not want these MRI and CT scans, but there are citizens out there who are definitely in need of them.

At the Eric Williams Medical Sciences Complex, with effect from January 01, 2005, free services were offered to all patients in our public health institutions. This is also a credit to the Government of Trinidad and Tobago and the People's National Movement. At the hospital in San Fernando, phase one of the new wing was completed, providing 111 additional beds and a new neurology ward was also opened. This, I consider, performance also. [*Desk thumping*]

7.15 p.m.

One of the cries people have is the waiting time at these institutions for surgical procedures to be done. It is always their names are on the lists and they are waiting; they talk about discrimination and we are choosing our people to give the operations. The waiting lists at our public health institutions have been reduced drastically with 30,000 surgical procedures performed in the last 10 months. This represents 50 per cent increase in the surgical procedures done in any previous year. This, also, I consider performance.

They talk about the Unemployment Relief Programme (URP). In anything there are positives and negatives. Even in our lives there are some negative qualities. Sometimes I get vex very quickly and that may be a negative quality to me. We have ups and downs. The programme may or may not have some element or it may be how you perceive it. In the URP a new element has been introduced with the special projects. In a short space of time in 2004 and 2005, 422 special projects were done. This must be credited to the Ministry of Local Government. We saw entrepreneurs, more than 350 small contractors coming on board to do these programmes. In one year these were completed: 18,072.5 metres of box drain; 2,593.6 metres of retaining wall; 2,981.5 metres of footpath; 1,103 metres of slipper drain; 4,100 metres in roadway; 8 bridges; 16 box culverts; 92 walkways and driveways; 11 basketball courts and pavilions; 16 public buildings and 7 pan theatres. This I consider performance by URP. [*Desk thumping*]

Apart from this, there are many families for whom that relief is there in times of hardship. When we go to our constituencies—not the absentee ones—once a week, we meet with them and we understand that there is a need. When we look at how many thousands have benefited from URP, how could we knock it when nothing is done otherwise?

With the last administration out community development; the Best Village Programme and the community development officers were dormant. They were going into the communities, counselling and guiding individuals. That was lost during the last administration. What did you have? Lost persons turned to violence and crime. The seed was planted long time. Now the Best Village Programme is on and the community development officers are working together.

In the URP there is a section with personal development officers. When individuals come we find out their capabilities, counsel them and try to remove them from the programme into sustainable jobs. This element of the programme must be commended. It is not that we are just giving handouts. Something positive is happening in URP. We are nurturing them.

I will read a letter that was written to the hon. Prime Minister from villagers of Light Bourne Road, Bon Aventure. This is one of many not only to the Ministry of Local Government but also to other ministries. It says:

We the villagers of Light Bourne Road, Bon Aventure wish to express our sincere thanks and appreciation to the Government of Trinidad and Tobago of which you are head and the following individuals: the Minister of Local Government; the Permanent Secretary in the Ministry of Local Government; the County Superintendent and the road officers, Mr. Ramkelawhan Monesar and Mr. Anand Jugmohan respectively of the Couva/Tabaquite/Talparo Regional Corporation and above all this, the Chief Executive Officer of the Couva/Tabaquite/Talparo Regional Corporation, Mrs. Pamela Doon.

They outlined the following event that took place and the reason they are congratulating the Ministry of Local Government.

On Thursday 29 September in the afternoon a 10-ton truck loaded with sand, while crossing Bridge No. 1 at Light Bourne Road fell into the river because the bridge collapsed. The bridge which was wooden was in a state of disrepair for some time now.

On Friday morning, 30th around 8.30 a.m., I visited the CEO of the Couva/Tabaquite/Talparo Regional Corporation, Mrs. Pamela Doon who was already aware of this situation and to our amazement, had already summoned her senior officers and was about to drive to the bridge which is quite a distance away from her office, to evaluate the situation.

On arrival the CEO assessed the situation and realizing that about 4,000 residents would have been stranded and there being no alternative route, she promptly acted. She also understood that this is a large agricultural district and the farmers' products would not have been able to be marketed along with all the other inconveniences. She immediately contacted the Permanent Secretary in the Ministry of Local Government who it is our understanding, gave the approval for repairs to be effected.

The CEO, Mrs. Pamela Doon along with the County Superintendent personally arranged the material, equipment, labour and all that was necessary to effect the repairs within one to two hours while on the scene. This would have normally taken about three weeks.

On Saturday morning all that was required to repair the bridge, material, labour and equipment was on spot in just a few hours.

I wish to inform you that by Monday evening, just within the space of three days, under the leadership of the CEO who visited and directed the work personally, a proper steel bridge structure with very large H-beams and channels was constructed and vehicles were able to cross. This is no easy task since it involves concrete work; welding work; excavating and all that go with it.

This bridge is now well constructed and very strong. May I say in the years we have never seen a project completed this fast. We the villagers are impressed and I should also venture to say in our years we have never seen a CEO of the corporation visit our area, except the present CEO, Mrs. Pamela Doon. We really felt honoured.

I further wish to say we do not ever see our Member of Parliament or any of the people who are supposed to represent us. Therefore, you will understand our appreciation when we receive this attention which we are not accustomed to.

We see two things: PNM representing out of their representation and performance. It took three days to alleviate the suffering of those individuals in that village. It was just a phone call and the Minister—it was no patronage; we did our work. That, I consider, performance.

There is something called the Road Improvement Fund. When you buy gas you pay tax on it. This fund is supposed to be distributed for the repairs to roads. I will share some information and then we would see where the discrimination lies. Among the corporations the money should be divided. In 1998, with the Road Improvement Fund we see the following:

Port of Spain	Nil
Arima	Nil
San Fernando	Nil
Point Fortin	Nil
Chaguanas	\$420,000
Diego Martin	Nil
San Juan/Laventille	\$607,000
Tunapuna/Piarco	Nil
Sangre Grande	Nil
Couva/Tabaquite/Talparo	\$6 million
Mayaro/Rio Claro	Nil

Appropriation Bill (Budget)
[SEN. THE HON. S. RAMROOP]

Thursday, October 13, 2005

Siparia	\$500,000
Penal/Debe	\$2 million
Princes Town	\$1 million

Do you see the corporations that did not get any in 1998?

In 1999, it was the same thing.

Port of Spain	Nil
Arima	Nil
San Fernando	Nil
Point Fortin	Nil
Chaguanas	\$6 million
Diego Martin	Nil
San Juan/Laventille	Nil
Tunapuna/Piarco	\$600,000
Sangre Grande	\$500,000
Couva/Tabaquite/Talparo	\$9 million
Mayaro/Rio Claro	\$1 million
Siparia	\$700,000
Penal/Debe	\$1 million
Princes Town	\$7 million

The pattern continued in 2000 and 2001, whereby all the corporations controlled by the People's National Movement were starved; not one cent was given for road improvement. Under PNM administration, in 2002,

Port of Spain	\$1.8 million
Arima	\$1.5 million
San Fernando	\$1.8 million
Point Fortin	\$1.6 million
Chaguanas	\$1.6 million
Diego Martin	\$1.7 million

San Juan/Laventille	\$2.2 million
Tunapuna/Piarco	\$4.7 million
Sangre Grande	\$1.7 million
Couva/Tabaquite/Talparo	\$1.8 million
Mayaro/Rio Claro	\$1.9 million
Siparia	\$1.5 million
Penal/Debe	\$2 million
Princes Town	\$1 million

That is across the board. Where is the discrimination that they talk about? In 2003, it was the same thing: Port of Spain \$1.5 million; Arima \$1.7 million and it goes on. I am seeing the area of Chaguanas, Couva/Tabaquite/Talparo and others benefited tremendously. Across the board everybody benefited equally. The Minister decided that every councillor would go back to his people to say what he did. He made it equal. Everybody had a piece of the pie. How could we be chastised for not giving equity to all the councillors and corporations? Then they cry discrimination.

For increased provision an additional \$5 million was given to all the corporations. Chaguanas got an increase of \$875,000; yet you hear them on the radio programmes saying that we are not giving them any money and they cannot do anything.

The Chaguanas Chamber of Commerce is very supportive of what is happening since the Minister of National Security has been having meetings with them. The mayor has formed a new organization with his cohorts; they are against the Chamber of Commerce that the Government is having meetings with and they are now knocking us. Where are the facts? I am quoting from all this paper in black and white about what exactly is happening.

I will continue on performance with the On-The-Job Training Programme. Most persons say that when their children come out of school and go for a job, everybody asks for experience. You do not have any and you want a little experience. The UNC cancelled the On-The-Job Training Programme. At present, over 17,318 benefited from the OJT Programme. They deprived these individuals during their administration. They talk about caring. We have reintroduced the programme. When they complete the six months they can say how much experience they have in data entry and the various skills. All this is happening under the PNM administration.

How people are not seeing that?

7.30 p.m.

In 2006, the On-The-Job Training programme (OJT) will continue to train and give work-base experience to develop the skills and attitudes of the nation's youth. Within the next fiscal year we intend to train, at least, 10,000 individuals.

Mr. Vice-President, on the last occasion when I spoke in this Senate, I referred to the institutes that were left unattended. Today I will start with the Eastern Caribbean Institute of Agriculture and Forestry (ECIAF) and the UNC's performance. With respect to the UNC's performance at ECIAF, what we saw there were dilapidated buildings, leaking roofs; there was one phone line for the whole of ECIAF; there were damaged dormitories; no air-conditioned units; uncomfortable working conditions; overstaffing; no bus—normally at ECIAF students go on site visits but there were no vehicles to provide transportation, they always rented vehicles and called their friends and made deals. This is what we found in the system. ECIAF has to prepare the fields but there was no working tractor to perform the duties. That is performance? There were no computers; they had to take the children from ECIAF to some other house to train on computers and to do their research. That was UNC performance.

There were no sporting facilities for the students at ECIAF, which is a live-in facility. Under the PNM, however, we did total renovation to the premises at ECIAF. We renovated the male and female dormitories. We have a five-line PBX system in place at ECIAF. We purchased a 30-seater bus, two pick-up vans and a spanking new tractor. [*Desk thumping*] We installed air-conditioned units in the classrooms and the buildings. We also have fans in all the rooms. We paved the driveways and the car park. We purchased new furniture for classrooms, the laboratories and student and staff facilities. We have a brand new computer lab at the facility. We have a new kitchenette and a students' lounge. But this is not performance as considered by Senators on the other side.

We purchased farm equipment because at ECIAF the students have to go out in the farms but they had nothing. We purchased a walk-behind mower, a riding mower, three brush cutters, two mist blowers, one pruner, one head trimmer and one pressure washer. [*Desk thumping*] ECIAF is now an institute of which we must be proud, thanks to PNM and this Government. [*Desk thumping*]

The John S. Donaldson Technical Institute, Mr. Vice-President, that is an eyesore, really, just to walk in there. That was UNC performance. Someone described

it as World War II. There were poor training facilities; the NEC programme was removed, that is why the skills bank is so low today. All the skills training that was done through the NEC programme was no more. Fees were introduced so that certain elements in the society could not get an education. John S. Donaldson Technical Institute was free under the People's National Movement but during the UNC's administration one had to pay, so persons were not going to school and there was a big rundown building with only teachers and no students.

Mr. Vice-President, enrolment dropped to approximately 400. Students and teachers worked with outdated and poorly maintained equipment. They did not have computers, no lab, nothing! How could they perform? That is the UNC performance that the hon. Senator spoke about. I do not want to say the real thing about the performance of which they spoke.

Mr. Vice-President, when the PNM administration went into John S. Donaldson Technical Institute the first thing we did was to refurbish the institute. We established a Mac laboratory for the visual arts programme because there was none. How could the students practise? How could they perform their work? How could they complete the curriculum? They had no Mac lab, so how could they perform? This administration installed the Mac lab, refurbished the auto and diesel machine and welding shops and also the acquisition of new machinery for the Mechanical Engineering Department. Those things were done under this administration. Acquisition of new machinery for the construction, carpentry, plumbing, air-conditioning and refrigeration workshops and the upgrade of the Civil Engineering Department were also done under this administration. Acquisition of plant process equipment for the Applied Science Department was done. Upgrade of the cafeteria was done and also the acquisition of computers for administration and furniture for all the departments. We also repaired all the classrooms and, Mr. Vice-President, when you pass you could see the wall that we have put up at the front to avoid the noise coming into the classrooms so that children could study a little more without being affected by the noise.

The whole electrical system was outdated. No equipment could have been installed. You could not plug in things. [*Interruption*] Mr. Vice-President, it was like that when they were in office and they did nothing about it. They knew who were going to John S. Donaldson Technical Institute and they wanted to get rid of everything there so they refused to do any repairs to that institution. We have painted the whole building and it is looking like an institution; this is why from 2006 it will be part of the University of Trinidad and Tobago. [*Desk thumping*]

Sen. R. Montano: Congratulation, you are doing well!

Sen. The Hon. S. Ramroop: Mr. Vice-President, it was the same thing at the San Fernando Technical Institute. It was rundown, there were no equipment; all the same problems we were having at John S. Donaldson Technical Institute we were having there. I would not elaborate on that. But this administration refurbished and purchased new equipment and reintroduced the NEC programme. [*Desk thumping*] [*Interruption*] Right now the meeting is going on because your position would not be here next week, so enjoy it while you are here. [*Desk thumping*] Mr. Vice-President, I do not want to go there, but my colleague just told me that cockroach has no place in fowl business.

Mr. Vice-President, my colleague will talk about the Dollar for Dollar Programme so I do not want to talk too much about it. They introduced this Dollar for Dollar Programme and my colleague told me—sometimes a birdie comes and tells us—how the Dollar for Dollar Programme started. It was at some meeting somewhere in Diego Martin and one of the former Ministers wanted his family to get assistance and he spoke to the political leader then and right away they announced the dollar for dollar programme. The programme started with no policy in place, no discussion and no dialogue. What happened with the Dollar for Dollar Programme? We do not even have to go back to GATE, now it is free tertiary education.

Sen. Seepersad-Bachan: Mr. Vice-President, on a point of order, Standing Order 34—I feel that the Minister is imputing improper motives. I do not know anything about any family member being associated with a dollar for dollar programme. That may happen under the PNM administration, but not the UNC. [*Crosstalk*]

Mr. Vice-President: Hon. Senator's, please. I do not remember hearing the Minister name anyone or identify someone who did anything.

Sen. Seepersad-Bachan: He was referring to the UNC administration and he said that there was a family member that—[*Crosstalk*]

Mr. Vice-President: Okay, Hon. Minister, let me ask you not to go there please. [*Interruption*]

Sen. The Hon. S. Ramroop: I will respect you, Mr. Vice-President, but as my colleague said, it was policy by vaps but we did not do it that way. That is not the PNM way.

In 2002, when we got into the system and we took governance, ECIAF moved from 49 to 100 students. [*Desk thumping*] John S. Donaldson Technical Institute

moved from 319 to 1,339 students. [*Desk thumping*] San Fernando Technical Institute moved from 300 to 1,271 students. [*Desk thumping*] Government Vocational Centre (GVC) from 27 to 373 students. [*Desk thumping*] Right away you can see the prudent measures that took place and I consider that performance also. [*Desk thumping*]

Mr. Vice-President, I did not really want to speak so long but I just have one more thing to say. With respect to the University of the West Indies, in 2001—the budget for which we did not have any responsibility—it received \$144 million. In 2002, the university received from this administration \$2,088 million; we doubled that amount from the last administration. In 2003, the university received from this administration \$299 million. In 2004, a whopping \$468 million came from this Government also. In 2005, \$461 million. In 2005/2006 the university will get \$506 million. Mr. Vice-President, they moved from \$144 million in that administration to this administration receiving \$506 million. I consider that performance and caring for the citizens of Trinidad and Tobago. [*Desk thumping*]

Mr. Vice-President, there is so much more I want to say but—we could go on to WASA and talk about how much water people are getting, do not mind that all they are talking about are the negatives but there are so many developments. Street lighting for all; Mr. Vice-President, everything comes at a particular time. We are not promising; we are just working. I urge all my colleagues to continue. People will try to have discussion and dialogue and try to criticize but they are doing their do, because that is what they came to do. We are not to lose focus on our deliverables and performances. We will continue to serve the nation and do it to the best of our ability and at the end of the day we thank God that we did our best.

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

The Minister of Legal Affairs (Sen. The Hon. Christine Kangaloo): Mr. Vice-President, I, too, rise in support of the national budget for fiscal year 2005/2006. I am particularly proud to support this year's budget because it constitutes another critical link in the chain of human development that has been the hallmark of this administration's tenure in office. It is another pillar of the platform for achieving the goals of Vision 2020.

Mr. Vice-President, the year 2005 marked the 12th consecutive year of economic growth for Trinidad and Tobago. The traditional drivers of the economy: oil, gas, and energy-related activities have performed and continue to perform well. Yet as important as these drivers are and have been to economic growth, it is to the development of our nation's human capital that we

must look for long term and sustainable development. This is something that this administration has also understood. That is why in every budget, since our rightful return to office in 2002, this administration has put people at the centre of fiscal planning. Perhaps, Mr. Vice-President, that is why Sen. Robin Montano said that the budget sounded so familiar.

Members would recall that the theme of the 2002 Budget was "People, Our Priority". The theme of our budget which was presented in 2003 was "Empowering People". In 2004, the theme was "Ensuring Our Future Survival". In 2005, our theme is "Addressing Basic Needs", Mr. Vice-President, that is because this is a Government about people. [*Desk thumping*]

In this 12th straight year of economic growth, the administration's budget focuses on the population's basic needs; needs such as food, housing, education, and security have been put centre stage in this Government's fiscal plans. In addition, needs central to individual's basic legal and consumer rights have been identified as priority areas for the Ministry of Legal Affairs for the next fiscal year. One of the most basic of human needs is the need for food. It is for that reason that the incidence of rising food prices in Trinidad and Tobago is a cause of great concern for this Government.

7.45 p.m.

Foremost among the factors pushing food prices further and further out of the reach of ordinary citizens were increases in the prices of corn, wheat and soya bean on the international market. Take movement in the price of meat for example. Corn and soya beans are used in many animal feeds which then causes the price of meat and meat products to increase. Another factor has been the fact that the number of goods grown and produced locally had declined in the recent past. Unprecedented and unseasonable rainfall exacerbated by indiscriminate patterns of cultivation and of settlement had resulted in annual flooding. These events have served only to worsen the situation of rising food prices. Flooding had resulted in the loss of many crops on the one hand, and in the remaining crops being sold at abnormally high prices on the other. Shipping costs have also risen simply because the cost of oil and gas had risen in the international market.

Faced with the spectre of the escalation in the prices of food and the effects of such movements on the rate of inflation in general, Government appointed a ministerial subcommittee in July of this year which was appointed to examine and recommend initiatives to deal once and for all with increases in food prices.

Mr. Vice-President, I am pleased to report that Cabinet had accepted the subcommittee's recommendations and that these are now part of Government's fiscal strategies for 2005/2006 in combating rising food prices. According to the subcommittee's recommendations, Government would be focusing on both the short- to medium-term and medium- to long-term strategies. In the short- to medium-term the Government would introduce short-term targeted conditional cash transfers, reduce or remove duty on selected food imports, and use a restructured national agricultural development company, NAMDEVCO, to make strategic interventions into the market as needed. In the medium to long-term the Government would put in place measures designed to boost domestic agricultural production. This administration recognizes that a vibrant local agricultural sector is a critical tool in the effort to managing food prices.

Mr. Vice-President, the introduction of short-term targeted conditional cash transfers reflects this administration's commitment to bringing relief to vulnerable segments of the national population on the one hand and while at the same time exercising care to ensure the avoidance of dependency and the inefficient allocation of scarce resources on the other. This measure reflects Government's ongoing commitment to families operating under difficult economic conditions. The strategy of governmental intervention into the marketplace by way of direct subsidies and price controls has long been discredited. Direct subsidies in price controls result in artificial distortions in the marketplace. The same applies to unrestricted cash benefits to persons in need. Consequently, a new generation of social policies and programmes take all of these complex realities into account, and in several Latin American countries, including Mexico and Brazil, unrestricted cash payments in price subsidies are being replaced by conditional cash transfers.

Conditional cash transfers programmes differ from their predecessors in a number of respects. The first eligibility for receiving the benefits would be determined by a stringent and closely monitored criterion. Programmes target households in the lowest income consumptions levels and assets. This means that only those individuals with a measurable genuine need benefit from the programme. Secondly, conditional cash transfer programmes focus on children in order to break the cycle of poverty by providing younger generations with nutrition, education in health care that would enable them to become productive and self-sufficient adults. For this reason, payments are typically made to heads of households as these persons are usually seen as being the most committed and involved with the children's well-being. Thirdly, as the name suggests, conditional cash transfers are not money for nothing.

To continue receiving payments individuals must demonstrate measurable commitments in relation to certain incentives, both in relation to themselves and to their children. Typically, in order to continue receiving payments under these programmes, individuals must be persons who are actively seeking employment, who are actively engaged in training programmes leading to employment and whose children are pursuing education and training opportunities. Failure to abide by these incentives typically leads to loss of benefits.

Mr. Vice-President, Mexico and Brazil are not the only countries in the region to have phased out traditional and costly subsidies-based models in the management of food prices. Portugal, Colombia, Honduras, Nicaragua and even Jamaica have all implemented either in pilot or in full phases, a system of conditional cash transfers. Outside of the Americas, Bangladesh stands as an example of one of the world's largest conditional cash transfer initiatives systems with its famous Food-for-Education Programme.

I am therefore proud to be able to report this Government's commitment to the introduction of precisely such a programme in Trinidad and Tobago. Commencing as early as January 2006 or by the latest March 31, 2006, a conditional cash transfer programme would be introduced in Trinidad and Tobago for the first time through a Smart Card. This card is for persons falling under clearly identified target groups and would allow recipients for and on behalf of their families to receive on a monthly basis a cash credit on their food purchases to a stipulated amount. The target groups to which this measure is aimed are persons who live under the poverty line, large families who have constraints caused by increasing food prices, single parents with large families, old-age pensioners and large families with only one breadwinner.

The Smart Card would be available for use in participating groceries and supermarkets throughout Trinidad and Tobago for the purchase of food items only. Items such as alcohol and tobacco would not be redeemed by the Smart Card. Smart Card values would differ according to which of the three categories eligible families belong. In category one, families of three or fewer members would receive a cash transfer of \$300. In category two, families of between four to five members would receive a transfer of \$400 and in category three, families with six or more members would receive a transfer of \$500. The incentives which would be attached to these transfers are that the recipients must be persons who are actively seeking employment, persons who are actively engaged in training programmes leading to employment, and persons whose children are pursuing educational and training opportunities.

In order to promote the smooth and transparent implementation of the programme, the Government would engage a consultant to detail further criteria and administrative systems in accordance with international best practices for the implementation and conduct of the programme. There would, by necessity, be an interface with the Ministries of Social Development and Community Development, Culture and Gender Affairs. This initiative would replace the programme which is currently administered by the Ministry of Social Development. It is estimated that in its first year this programme would cost the Government about \$215 million.

The Smart Card programme is a tangible manifestation of this Government's unwavering commitment to addressing the basic needs of the population. Government's strategy to combat rising food prices is not limited to improving needy persons' ability to access food items through the Smart Card programme. That is one critical intervention.

In order to bring downward pressure to bear on the price of basic foodstuff another intervention was required, and in that regard the Government proposes substantial reductions in the duty on the importation of food items such as rice, flour and cereal. Such reductions in duty would result in the reduction in the cost of importing food items. That reduction in cost would fully be expected to be reflected in a lowering of the prices of affected products.

I am happy to be able to report that there are already clear indications in that regard which have come from those who are in the business of the importation into and the sale of food items in Trinidad and Tobago, and I draw the attention of Senators in this Chamber and the national community to the article that was in the newspapers, the *Business Today*, the *Guardian* of Friday, October 07, 2005. The headline is: "Supermarkets to pass on food savings".

Mr. Vice-President, the reduction in import duties on imported food items would be wide-ranging and substantial. There would, for example, be a 30 per cent reduction in the import duty on salt fish, a 20 per cent reduction in the case of roasted coffee, the majority of dried fruit, a 15 per cent reduction in the case of cornmeal, corn flour, prune, shell peanuts, a 10 per cent reduction in the case of rice, flour, condensed milk, pickled pigtail, evaporated milk, UHT milk and several other food items. I think there were 35 food items in all from which the import duties were going to be reduced.

Mr. Vice-President, we live in a country in which things do not always go as they should. We are expecting that with the reduction of the import duties there should be a reduction in the sale price of all the items. And while Government fully expects

that the majority of food retailers would act responsibly in response to the lowering of import duties, we expect that there may be those who would make it their business to extract the maximum personal profits from arrangements put in place for the public good. For this reason and to ensure that the reduction and removal of duties intended by the Government, the Consumer Affairs Division of the Ministry of Legal Affairs would act as watchdog over the process of price reduction which ought properly to follow upon the introduction of these new measures.

The Government wishes to assure the population and to warn that the division has already commenced a detailed price survey of the retail food sector and would step up its monitoring of other inputs and costs which contribute to the pricing of basic consumer items. Let me sound a clear warning that unscrupulous business practices at the expense of the vulnerable segments of the population would be exposed for all to see. There would be a new era of consumer awareness and empowerment in which the Government of Trinidad and Tobago would lead the charge. In this new era the Consumer Affairs Division would use the information obtained from its surveys to publish on a regular basis a list of food prices at groceries and supermarkets throughout Trinidad and Tobago so that consumers can see for themselves what is being charged for food by the competitors in the marketplace, and can make informed decisions about where and from whom to purchase their foodstuff. Education is power, and as all who have had anything to do with Trinidad and Tobago would know when this administration commits to education, it always delivers. [Desk *thumping*]

The Government intends to give businesses which would benefit from reduced import duties very little room to manoeuvre on this issue of rising food prices. For that reason, and in order to eliminate any excuses the Government would also monitor the cost of shipping and would also seek to increase the efficiency of the Port. Make no mistake; this Government is declaring open war on high food prices.

Mr. Vice-President, we are not just leaving matters there. In the battle against the rising food prices, the Government is calling in re-enforcements through the judicious use of NAMDEVCO for purposes of making strategic interventions to secure the stabilization of food prices.

NAMDEVO would be restructured and new-style management procedures implemented in order to encourage, improve more effective agricultural production, processing, packaging and distribution. The new -style management procedures would include:

- Specific output deliverables such as bulk-buying of basic agricultural items to be used as a strategic intervention but not to compete.
- The provision of guaranteed prices for certain agricultural products in surplus times.
- Administration of guaranteed floor prices for target crops and a mechanism to ensure targeted production through guaranteed floor prices for targeted crops.
- Setting up of agro-processing and export arrangements to secure the sale of surplus crops as well as to facilitate their processing.
- The importation in times of shortage and with the consent of the Minister of Agriculture, Land and Marine Resources of food items from regional and extra-regional resources to maintain the stability of food prices.
- The setting up of appropriate mechanisms to provide some level of agricultural insurance in times of disaster or in extreme circumstances.
- Communication through the media of the procurement and selling prices of food items.

These measures will work together to ensure that both in times of want and in times of plenty food prices will be kept at manageable and stable levels.

8.00 p.m.

Mr. Vice-President, the introduction of short-term conditional cash transfers, reduction or removal of duty on imported food items and the use of NAMDEVCO are some of the direct short- to medium-term strategies which the Government will implement in fiscal 2005—2006 to ensure that the menace of rising food prices is brought to heel. The Government recognizes that in the medium to long term it is to a vibrant local agricultural sector that we must turn for overall food security, of which stabilized food prices is a part.

This Government fully intends, during fiscal 2006, to build on the gains made of late in the local agricultural sector and further to strengthen and expand this sector. This will place the domestic agricultural sector in a position better to withstand adverse influences from external food markets. Government will, therefore, lend increasing levels of support to domestic agricultural production in the following areas:

- transport and infrastructure improvements;
- support for the marketing of national agricultural products;

- the introduction of target-based policies to support increased productivity;
- the introduction of water management and land use programmes;
- the provision of new and the expansion of existing training programmes; and
- the provision of increased financial support for local producers in the form of micro credit and small grants programmes for small and medium entrepreneurs.

As part of the Government's thrust to increase domestic agricultural production, we should not forget that Government has recently distributed 14,000 two-acre plots of Caroni (1975) Limited lands to some 7,000 workers. During fiscal 2006 and beyond, Government will work closely with the farmers to promote the growth of specially selected crops with an emphasis on those deemed strategically and nutritionally significant for citizens.

Consumer awareness and empowerment are not issues limited to the question of rising food prices. They are essential tools in creating the kind of educated consumer that will characterize the marketplace in Vision 2020. Government recognizes the need to strengthen consumer legislation and promote consumer rights as part of our journey towards Vision 2020. Senators would recall Government's Green Paper entitled *Consumer Protection in the Information Age*, which was laid in Parliament a few months ago and was taken to the public in July of this year. A total of 18 consultations were held throughout Trinidad and Tobago.

In fiscal 2006, the services of a consultant will be retained to assist in the preparation of new consumer legislation, which Government hopes to be able to table next year. Reform of consumer laws will contribute to an improved quality of life for all families in Trinidad and Tobago and will provide us all with a higher level of protection, economic empowerment and better quality services. This is the vision of this Government and we are both proud of and committed to it.

Mr. Vice-President, the improved pool of rights being created by this Government in relation to consumers will be accessed by the population throughout Trinidad and Tobago. For too long the over-centralized delivery services, particularly pertaining to consumers' rights, have blunted their proper exercise. It is for this reason that in this year the Consumer Affairs Division will decentralize its services by establishing complaints desks initially in existing government facilities at Point Fortin, Couva and Mayaro. The division is acutely aware of the difficulties faced by families in rural areas in accessing services in Port of Spain.

It is therefore proposed to establish offices in these areas where staff could be assigned full time to receive any complaints and provide assistance to the consumers.

We live in a technological age. Government's responsibility to consumers is to utilize technology in such a manner as to improve both the delivery and the quality of consumer services to the general public. I am happy to be able to report to this honourable Senate that the Government has been doing precisely that in various divisions of the Registrar General's Department.

During the past year, the Civil Registry of the Registrar General's Department has been upgrading its technology in an effort to simplify its procedures and make life simpler and more convenient for families. Evidence of this can be seen in the new-computer-generated birth certificates which are not only free, but are issued the same day of the application.

In September 2005, the Ministry announced that all adults can now receive one free computer-generated birth certificate. This is the second phase of our free computer-generated birth certificate programme, which commenced in 2003 and which initially applied to persons born after 1984. Over 75,000 persons have received those certificates since we started issuing them in 2003. The service has now been extended to the adult population and, since September 2005, more than 2,000 computer-generated birth certificates have been issued in relation to the adult population. The use of the technology as I have said, Mr. Vice-President, allows these certificates to be issued on a same-day basis.

Sen. Dr. Mc Kenzie: From what year of birth?

Sen. The Hon. C. Kangaloo: We have gone back to 1933.

The department is now also moving towards implementing computer-generated marriage certificates in the near future and, by December of this year, computer-generated death certificates will be issued. [*Desk thumping*]

Consistent with Government's commitment to decentralize the delivery of consumer services, I wish to remind hon. Senators that there are District Registrars of Births and Deaths located at four public hospitals—Port of Spain General, Sangre Grande General, Mount Hope Maternity and San Fernando General.

During fiscal 2006, the Registrar General's office will be working towards the implementation of online registrars of births and deaths at these hospitals, which

will allow the District Registrars to submit their information electronically to the Registrar General's Department.

Consistent as well with Vision 2020, the Registrar General will establish in fiscal 2006, linkages with the social services agencies, so that those agencies can access the data and that will dispose of the need for persons such as old age pensioners having to present themselves to prove that they are alive. [*Desk thumping*]

Mr. Vice-President, during the last year, the Registrar General's Division made great strides in the delivery of its services to Tobago. Two factors accounted for this. The Tobago office was linked to the Port of Spain office via a virtual private network, which was set up in March 2005 and an Assistant Registrar General for Tobago was appointed in September 2004. As a result of the virtual private network, Tobago now has access to information on land, births, deaths, marriages and companies throughout the country.

Certified copies of deeds are now, in most cases, being delivered within three days or a maximum of seven working days. Certificates for births, deaths and marriages registered in Trinidad are now obtainable in Tobago. Citizens are no longer required to travel to Trinidad to attain these certificates, which are now regularly issued inside of three working days, as opposed to the former period of three weeks. [*Desk thumping*]

Because of the appointment of the Assistant Registrar General, the return period for certification of a district registrar certificate has been reduced from one week to 24 hours. As well, marriage officers can now apply for approval of late registration of marriages in Tobago and urgent requests for any documents can now be entertained. In the next year, it is planned to expand all of the services offered in Tobago, so that all services offered in Port of Spain will be offered there as well.

There has been action in other offices of the Registrar General's Division. The San Fernando Registrar General's Department has now been relocated to newer and more spacious accommodation and, in fiscal 2006, its services will be extended so that citizens will benefit from the full range of services that are currently offered in Port of Spain.

Mr. Vice-President, on legal aid, for fiscal 2006, Government's intention is to continue to support the family in providing improved legal aid services to many families, including counselling. It has been noted, based on statistics, that a high percentage of applications for legal aid and advice is in the area of family matters,

for example, divorces, disputes involving matrimonial property, domestic violence, custody and maintenance and land disputes.

Over 13,000 persons benefited from the services of legal aid in 2004. At the recent opening of the law term, the honourable Chief Justice was fulsome in his appreciation of the efforts being made by the authority in respect of providing services to citizens. With a recruitment of four new attorneys, it is expected that affordable and quality legal service would be available to even more persons this year.

Over the medium term, we are looking to develop procedures and systems to reduce the waiting time to members of the public seeking assistance under the Legal Aid Services system. As part of this process, a review of the Legal Aid and Advice Act will be undertaken to allow for relevant amendments to be made to improve the services provided.

The Consumer Affairs Research Division embarked on a survey of the level of satisfaction of internal client, external clients and external attorneys at law providing services to the authority. This survey is in the final stages of data collection and results should be published by the end of 2005. The results of this survey will allow for a review of the standards of service and guide the development of a service charter for the authority. It will also contain feedback from attorneys on an imminent review of the fee structure at present in place under the Act.

The modernization of the authority began in 2005. Computers were purchased and the implementation of modern technology has commenced. It is expected that, with the allocation for fiscal 2006, work on this area will continue and this development would allow for a network system to be set up between all the offices of the authority, ensuring quick and easy access to information. Such a system, of course, will improve the efficiency and reliability of the services offered by the authority to the general public.

Mr. Vice-President, in this fiscal year, as well, the Ministry of Legal Affairs continues to expand and upgrade the district offices in which the Legal Aid offices are situated because we want to have a presence in all the magisterial districts. So, in this year, the Arima and Chaguanas offices are earmarked to be upgraded to full-time offices.

May I just deal with intellectual property. The manufacture and sale of pirated works in any form, for example, music, CD, videos, DVDs, books and counterfeit products are illegal. The sale of such pirated work inflicts significant

economic loss upon the creators of such works and their families and, in certain cases, has caused even our local musicians and artistes to refrain from creating or releasing new works in Trinidad and Tobago.

Senators will recall when calypsonian Shadow had lamented the fact that there was piracy of his works and for that reason he had determined not to cut any recording for commercial sale. This is an issue, Mr. Vice-President, that I believe Sen. Dr. Balgobin talked about when he talked about preserving the intellectual and creative talents of our people.

8.15 p.m.

I want to point out that the Copyright (Amdt.) Bill was introduced in the other place, in 2004. That Bill had gone to a select committee. The work of that committee has been preserved. We will be pursuing it in this fiscal year. What that Copyright (Amdt.) Bill, as I understand it, sought to do is to streamline the procedures for the prosecution of piracy offences. Currently, under the law, if a police officer were to seize 10 pirated CDs and each CD had eight songs, the officer would have to complete 80 pieces of information for that particular seizure. That is what we are seeking to amend in the Copyright Act now so that one piece of information will be laid in respect of the CD. That is the process we are seeking to introduce.

With respect to piracy, as well, we are having discussions on the introduction of a banderole system. The banderole system, as I understand it, is the marking of authentic products, for example, CDs, DVDs, tapes, video tapes with a label, sticker or hologram, in order to distinguish authentic products from pirated copies. This would assist all law enforcement officials such as police officers and customs officials and the public at large in identifying authentic products from pirated copies.

Some of the considerations that have to be addressed, prior to deciding whether or not we should proceed with the banderole system or whether the use of the banderole should be voluntary or compulsory are: which entity should be responsible for the issuance of the banderole; when will the banderole be placed on the product, at the point of manufacture or distribution; and who pays for the cost of the banderole. As I understand it, at a meeting held in April of this year, between various stakeholders in the entertainment industry and the former Minister of Legal Affairs, Sen. The Hon. D. Montano, it was agreed that a proposal would be presented by the stakeholders and that there would be further discussions. That is just to highlight what the Government is doing, in respect of the very troubling issue of piracy.

In relation to cable and video piracy, a Cabinet-appointed committee was appointed to deal with the issue of cable and video piracy and the report is to be furnished to Cabinet at some point in time during this fiscal year.

Another issue that is very dear to the hearts of all Trinidadians is the issue of the steel pan. You may recall the public outcry in the local media, against the grants of certain patents in the USA, for steel pan instruments and processes that had been in public domain in Trinidad and Tobago for several years. Many persons had expressed the view that the Government of Trinidad and Tobago should challenge the United States patents swiftly. I am pleased to report that the relevant funds have been allocated for the challenge of the steel pan patents, granted by the USA Patent and Trademark Office. During this upcoming fiscal year, the Ministry of Legal Affairs will engage a legal firm to advise on the challenging of the United States patents and the filing of appropriate challenges thereto, as we move to protect our national intellectual property.

Mr. Vice-President, I move on to law revision. During the last year, the Law Revision Commission has been revising the laws of Trinidad and Tobago. This revision is of critical importance to the administration of justice and the protection of democracy. The object of this revision exercise is to produce a comprehensive single collection of laws, which must be user friendly as well as readily accessible, to facilitate the needs of Parliament, the courts, judicial and legal officers, as well as regional and international agencies, to say nothing of citizens at large. Mr. Vice-President, 70 per cent of the laws have already been revised and the revision process is expected to be completed by the end of this year, with printing scheduled for 2006. In particular, the publication of the new revised editions of the laws, in both textual hard copies and electronic formats in mid 2006, is well on target.

Mr. Vice-President, Government's budget for this year emphasizes the importance of people and of families once again. It is hoped by the end of the next fiscal year, the measure it provides will result in families that are better equipped to manage their day-to-day affairs with increased confidence and with more dignity. The idea is that family units will become more cohesive and will work harmoniously towards improving our national lot as a whole. This is a government about family, because on this side, we are a family. [*Desk thumping*] Instead of fighting, kicking, screaming and destroying—

Sen. Abdul-Hamid : Cannibalizing!

Sen. The Hon. C. Kangaloo:—which are admittedly the best talents of those on the opposite side, we urge them, for once in their very warring existence, to put

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away their might aggression in the interest of the national family and to support this year's budget for fiscal 2006.

Mr. Vice-President, I thank you.

ADJOURNMENT

The Minister of Public Administration and Information (Sen. The Hon. Dr. Lenny Saith): Mr. Vice-President, I beg to move that the Senate do now adjourn to Friday, October 14, 2005 at 1.30 p.m. At that time, we would continue and hopefully finalize the debate on this Bill.

Question put and agreed.

Senate adjourned accordingly.

Adjourned at 8.23 p.m.