

# THE PARLIAMENTARY DEBATES

## OFFICIAL REPORT

IN THE FIFTH SESSION OF THE EIGHTH PARLIAMENT OF THE REPUBLIC OF TRINIDAD  
AND TOBAGO WHICH OPENED ON OCTOBER 17, 2002

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SESSION 2006—2007

VOLUME 20

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### SENATE

*Monday, September 03, 2007*

The Senate met at 10.00 a.m.

### PRAYERS

[MADAM PRESIDENT *in the Chair*]

### DEOXYRIBONUCLEIC ACID BILL

Bill to repeal and replace the Deoxyribonucleic Acid (DNA) Identification Act, 2000, brought from the House of Representatives [*The Minister of National Security*]; read the first time.

### APPROPRIATION BILL (BUDGET)

Bill to provide for the Service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2008. [*The Minister in the Ministry of Finance*]; read the first time.

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

*Question put and agreed to.*

### PAPERS LAID

1. Draft Estimates of Expenditure for the financial year 2008. [*The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill)*]
2. Draft Estimates—Details of Estimates of Recurrent Expenditure for the financial year 2008. [*Sen. The Hon. C. Enill*]
3. Draft Estimates of Revenue and Expenditure of the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2008. [*Sen. The Hon. C. Enill*]
4. Draft Estimates of Development Programme for the financial year 2008. [*Sen. The Hon. C. Enill*]

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5. Draft Estimates of Revenue for the financial year 2008. [*Sen. The Hon. C. Enill*]
6. Social Sector Investment Programme—2008. [*Sen. The Hon. C. Enill*]
7. Public Sector Investment Programme—2008. [*Sen. The Hon. C. Enill*]
8. Public Sector Investment Programme Tobago—2008. [*Sen. The Hon. C. Enill*]
9. Supplementary Public Sector Investment Programme—2008. [*Sen. The Hon. C. Enill*]
10. Government at your Service: Highlights of Achievements—2008. [*Sen. The Hon. C. Enill*]
11. Review of the Economy—2007. [*Sen. The Hon. C. Enill*]
12. The Vision 2020 Operational Plan 2007-2010 Transformation in Progress—2007 Report. [*Sen. The Hon. C. Enill*]
13. Annual audited financial statements of the Petroleum Company of Trinidad and Tobago Limited for the year ended September 30, 2006. [*Sen. The Hon. C. Enill*]

**BANKRUPTCY AND INSOLVENCY (NO. 2) BILL**

**Joint Select Committee Report  
(Presentation)**

**The Attorney General (Sen. The Hon. John Jeremie SC):** Madam President, I beg to present the following report:

Report of the Joint Select Committee appointed to consider and report on the Bankruptcy and Insolvency (No. 2) Bill, 2006.

**JOINT SELECT COMMITTEE REPORTS**

**The Minister of Legal Affairs (Sen. The Hon. Christine Kangaloo):** Madam President, I beg to present the following reports:

**Equal Opportunity Bill**

1. Second Interim Report of the Joint Select Committee appointed to consider and report on the Equal Opportunity Bill, 2007.

**Deoxyribonucleic Acid (DNA) Bill**

2. Report of the Joint Select Committee appointed to consider and report on the Deoxyribonucleic Acid (DNA) Bill.

**APPROPRIATION BILL  
(BUDGET)**

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

That a Bill to provide for the service of Trinidad and Tobago for the financial year ended September 30, 2008, be now read a second time.

Madam President, this is a money bill and it was approved in the other place on August 30, 2007. The Bill provides for the issue from the Consolidated Fund of the sum of \$36,477 million under the various Heads, as indicated in the Schedule of this Bill.

Our journey began in December 2001 when we assumed office. At that time, we introduced a long-term plan for the development of Trinidad and Tobago which we called Vision 2020. Simply put, the plan established the goal to make Trinidad and Tobago a developed country in the shortest possible time and, certainly, by the year 2020. A developed country to us simply means accepting the challenge of a changing global environment and planning for a predictable and sustainable future.

Since 2002, we have provided the national community on the occasion of the presentation of the national budget with annual objectives in the journey towards Vision 2020. For example, in 2002, our theme was *One People One Nation, Leaving No One Behind*; in 2003, it was *Vision 2020, People: Our Priority*; in 2004, it was *Charting The Course To 2020, Empowering People*; in 2005, it was *Vision 2020, Ensuring Our Future Survival*; in 2006, it was *Vision 2020, Ensuring Our Future Prosperity Addressing Basic Needs*; in 2007, it was *Vision 2020, Moving Onwards*. For fiscal year 2008, we resolved to the people of Trinidad and Tobago that despite those who pretend not to understand, but copy everything that we do, we present: *Vision 2020, Determined to Reach Our Goal*.

During the last six years we have implemented our plan and we continue with the framework and strategies which brought us to this point. We are now able to use this platform to further advance our efforts to achieve Vision 2020, since we are, in fact, determined to reach our goal.

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This budget presentation, as has been our practice, considered the views of a wide cross section of our stakeholders. I wish on behalf of the Government to thank all those who spent many hours of their time in dialogue with us, so that we could properly represent the interests of all our citizens. This budget, therefore, represents the results of that collaborative effort.

Included in the documents laid in this House, which form part of our accounting to the Parliament and, by extension, the national community, I wish to highlight two documents which respond to concerns raised in the public domain; the first, Vision 2020, Operational Plan 2007—2010, Transformation in Progress 2007 Report. This report provides an account of the progress being made towards the achievement of specific targets identified in the Vision 2020 Operational Plan 2007—2010.

Madam President, the report represents the first step towards the establishment of a common framework for reporting on actions being taken across the public sector towards achieving specific outputs and outcomes. These outputs and outcomes were required to be consistent with Vision 2020. This process was initiated in the last fiscal year so as to ensure that the policies and actions of all ministries and public sector agencies were in close alignment with the goals and objectives of Vision 2020. Importantly, the report introduces performance indicators which add a new dimension to planning in the public sector. This is a milestone towards developed country status.

In the coming years, we will intensify the process of moving towards a results based system, which will give more attention to defining targets in the priority areas for progress, and the process will be underpinned by a collaborative effort complemented by activities to develop new data sources and to strength existing collection systems.

Madam President, the report includes a review of the policy context and an account of progress made towards the achievement of each target identified in the Operational Plan 2007—2010 document, as they relate to the goals of the five developmental pillars; that is, developing innovative people; nurturing a caring society; enabling competitive business; investing in sound infrastructure and environment, and, of course, promoting effective government.

The second document is Government at Your Service—Highlights of Achievements 2002—2007, Accounting for the Resources. The report synthesizes the achievements of Government in the context of Vision 2020. This is another milestone towards developed country status. While the two reports provide

considerable details on our achievements during the first period in office, I wish on behalf of the Government to highlight, for the benefit of this honourable House, some of the policies we have pursued and of which we are extremely proud.

In the six-year period 2002 to 2007, public revenue amounted to \$162.7 billion, of which \$67.9 billion was derived from the energy sector, reflecting the oil and gas tax reform exercise in recent years; \$93 billion emanated from the domestic economy. Recurrent expenditure amounted to \$125 billion, which met our statutory commitments, provided subsidies to contain the cost of certain basic goods and services; financed operating deficits of some loss-making public enterprises and funded infrastructural investments. Capital expenditure amounted to \$37.7 billion, with the major items being a \$9.5 billion transfer to the Heritage and Stabilisation Fund; a \$12.9 billion for the Public Sector Investment Programme and a \$6.9 billion to the Infrastructure Development Fund.

Our social sector policies have been extremely successful by a renewed focus on reducing poverty. This is a milepost towards developed country status. Madam President, \$17.5 billion or approximately 11 per cent of our revenues and 14 per cent of our recurrent expenditure has been spent on poverty alleviation programmes including, of course, the Unemployment Relief Programme. Whether it is in the street lighting programme or, for that matter, in the provision of better accommodation for our public sector employees, we cannot overemphasize that our public expenditure is aimed at providing a better quality of life for our citizens.

**10.15 a.m.**

Madam President, on behalf of the Government, I wish to spend some time on the priorities for fiscal year 2008 and the medium-term outlook so that the Parliament can understand our position based on our best estimates. The maintenance of macroeconomic stability represents a core objective of this Government. It is the way we measure the health of our country and, of course, it is the key objective.

In that regard, we have continued to maintain fiscal discipline by spending less than we earn and saving for the future. In this regard we have programmed a surplus of \$89.2 million in the fiscal year 2008 and we will continue to build our savings for the benefit of future generations based on our budgeted price assumptions.

Stable macroeconomic conditions will continue to be underpinned by economic efficiency initiatives. The financial sector is being strengthened with proposed legislation which will continue the modernization of the regulatory and oversight framework. We are deepening the financial services by establishing

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through earlier legislation the Trinidad and Tobago International Financial Centre. Supporting this initiative which is essential for our First World ICT infrastructure for Trinidad and Tobago is the national broadband action plan. This is a milestone towards developed country status.

Madam President, our future prosperity is predicated on achieving higher levels of savings and investments. The aggregate deduction which may be claimed for a pension annuity plan is being increased from \$12,000 to \$25,000. This is a milestone towards developed country status.

Madam President, we will continue to improve the quality of life of our citizens as we meet their basic social needs. The network of our integrated and accessible social programmes and services is available to all, in particular, the poor and the marginalized. Specifically, the National Family Policy is already creating and promoting a family-friendly society and mainstreaming family issues. However, a national parenting programme is educating young people on the role of parents and the ideals of good parenting.

Our poverty-reduction strategy which is being strengthened to enable proper targeting of programmes to include the vulnerable and at risk groups, and the Senior Citizens Grant is being increased with effect from October 01, 2007. An individual who is in receipt of income of \$100 or less and who previously received a Senior Citizens Grant of \$1,350 per month will now receive \$1,650 per month, an increase of \$300.

An individual who is in receipt of total income greater than \$100 per month, but not more than \$1,000 per month and who previously received a grant of \$1,250 per month will now receive \$1,550 per month. The Senior Citizens Grant will benefit 80,000 of our senior citizens at an estimated cost of \$215 million annually.

The public service pensions have been increased with effect from January 01, 2008. A minimum pension of \$1,650 per month will be paid to retired public officers. The officers will also be paid a lump sum of \$3,000 for the period October—December, 2007, pending the new NIS monthly payment which will commence in January 2008. This pension increase will benefit 26,742 of our citizens.

The Disability Handicapped Grant is being increased with effect from October 01, 2007; it will be increased to \$1,100 per month with a ceiling income for the receipt of this grant being increased from \$3,600 per annum to \$12,000 per annum. The increase in this grant will benefit 17,000 citizens and will increase our expenditure by \$59.4 million.

Public Assistance Grants are being increased with effect from October 01, 2007. These grants based on the number of dependants per household will be increased and will benefit 21,000 of our most vulnerable citizens. The increases are as follows: a household of one person who received an existing \$470, will now move to \$650; a household of two persons who previously received \$710, will now move to \$900. Three persons who currently receive \$920, will move to \$1,100 and four persons and above currently receiving \$1,090, will now move to \$1,250.

The minimum wage is being increased from \$9 per hour to \$10 per hour on the basis of the process established and wages for employees in the Unemployment Relief Programme (URP) and the Community Based Environmental Protection and Enhancement Programme (CEPEP) are being increased by 15 per cent. In the case of CEPEP, 5,640 contract employees will benefit.

The National Insurance Benefits are being increased with effect from January 01, 2008; a minimum retirement pension of \$2,000 per month will be paid. The maximum level of earnings on which contributions on pensions will be calculated will be increased from \$4,377 as it currently exists, to \$8,300. The NIS contribution rate will be increased from its current level of 9.9 per cent to 10.5 per cent in 2008 with further increases to 10.8 per cent and 11.4 per cent in 2010 and 2012 respectively and the increase in the minimum retirement pension will benefit 60,000 retirees. This is a milestone towards developed country status.

Madam President, through the medium of the country's youth, we will foster change and chart new directions as we promote healthy lifestyles and establish a cohesive and responsible society. The National Youth Council and National Youth Institute are being established. The Sports Company of Trinidad and Tobago is upgrading the sporting infrastructure at the community level and is increasing the range of sporting programmes available to the national community, and the National Sporting Associations are being supported in the preparation of high-performance athletes who are now being facilitated. This of course, is another milestone towards developed country status.

Madam President, culture promotion represents the base on which we are building national character, national unity and a greater sense of national pride. When completed, the National Carnival and Entertainment Centre as well as the Academy for the Performing Arts would provide a state-of-the-art facility for cultural presentations including Carnival. This is a milestone towards developed country status.

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Madam President, our modernization programme is taking place within the context of the preservation of our environment. In fiscal year 2008, the Green Fund will begin to make grants to community groups and organizations to support activities related to environmental remediation and conservation as well as reforestation of denuded areas. Draft air pollution rules and regulations are at an advanced stage of completion, environmentally sensitive areas and species will also be designated, CEPEP will continue to upgrade and improve environmental conditions throughout the country and its structured training component will ensure the continuous absorption of these workers into the wider labour force, and, of course, the Beetham landfill will be closed. This is a milestone towards developed country status.

Madam President, our human resources agenda is also well on the way. We propose a seamless education system which will underpin the country's thrust to sustainable economic development. We have made substantial progress in our drive to improve educational outcomes. In the coming years we intend to consolidate the gains which we have achieved so that by the year 2015, 60 per cent of the age category 17—25 will be enrolled in tertiary education. The National Open School System will become fully operational in 2008 catering to a target population of 4,500 students.

The Primary School Computerization Programme and the ICT in Secondary Schools Programme have equipped our primary and secondary schools with a modern information and communication technology system with a view to preparing students to live in a knowledge-based society.

The University of Trinidad and Tobago is establishing its main campus at the Tamana InTech Park in Wallerfield and other campuses throughout the country providing in the process, a range of educational opportunities for the National Academy of the Performing Arts to the Natural Gas Institute of the Americas to the Centre of Excellence for Sports.

The College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT) is being converted into a community college with three campuses with a focus on preparing students for university education. The privately funded University of the Southern Caribbean (USC) is now upgrading its facilities, the financing for which is being supported by the Government in the amount of approximately \$97 million. The Early Childhood Care and Education Centres are now being quickly established with teachers and administrative training programmes being accelerated. This is a milestone towards developed country status.



Madam President, we are committed to the strengthening of the health sector and with a budget allocation of \$3.7 billion, we are trying to quicken the pace of the upgrade of four health facilities infrastructure, and human and other resources. We are providing our citizens with adequate access to an efficient health care delivery system and empowering them to lead long, healthy and more productive lifestyles.

Indeed the Chronic Disease Assistance Programme (CDAP) which now covers 145,000 individuals is being expanded to insulin-dependent patients to include the provision of diabetic testing strips. The National Oncology Centre is already being constructed and when completed in 2009, it will offer cutting-edge cancer treatment for all our citizens.

The National Organ Transplant Unit has been accelerating its transplant operations, the eye bank will be functional in 2008 supplying corneas for transplant; the neonatal facilities at the Mount Hope Women's Hospital have, in fact, been modernized so that the survival rate of newborn and premature babies will increase markedly; and HIV treatment is being stepped up, with a view to reducing further the incidence of death in the 15—44 age group. This is a milestone towards developed country status, but also, these are the areas in which we have increased expenditure.

Madam President, housing development is another key issue for the Government. With a budget of about \$2.6 billion for this fiscal year, we are ensuring that our citizens, in particular, low wage workers, the elderly and the differently-abled have access to adequate and affordable housing. Our Accelerated Housing Construction Programme will continue in 2008 with the provision of an additional 8,225 units and 22,023 residential serviced lots.

Madam President, 6,758 of these lots are being made available to the former employees of Caroni (1975) Limited and the residual will be made available to the national community at prices of \$20,000, \$25,000 and \$30,000 per lot depending on the location of the estate.

**10.30 a.m.**

The sustained development of Trinidad and Tobago has required the creation of new towns for which technical work is now being undertaken for Wallerfield, Sangre Grande, La Brea and Princes Town. This is a milestone towards developed country status and this is where we are spending our resources.

A multipronged strategy for strengthening the manufacturing sector is driving innovation and new technology towards competitiveness. In this regard, Government has identified a number of industries: music and entertainment, film, fish and fish

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processing, food and beverage, merchant marine, printing and packaging and yachting, as areas for private sector investment with special Government support.

Both the National Entrepreneurship Development Company Limited (NEDCO) and the Business Development Corporation (BDC) have been creating a culture of entrepreneurship and wealth-producing options for the common man. NEDCO will provide funding to an additional 5,000 new, small or micro enterprises and the funding will be combined with education and training initiatives, supported by the Fair Share Programme, which reserves 10 per cent of all contracts awarded by Government to qualifying small businesses. These companies have been empowering the less privileged members of our national community and putting them on the road to financial independence.

Moreover, businesses are being encouraged to retool with an increase in the capital allowance for manufacturers from 60 per cent to 75 per cent and for those who provide childcare facilities, a provision of capital allowances up to a maximum of \$500,000 per year is being provided. This is a milestone towards developed country status.

As an open economy, Trinidad and Tobago cannot be insulated from the unprecedented increases in global commodity prices, including food prices. Indeed, the current global economic conditions have given new urgency to our drive to expand domestic agricultural production to reduce food prices and to accelerate the move to agricultural self-sufficiency. We intend to contain rising food prices and, indeed, in some cases, reduce these prices through a combination of public policy initiatives, involving demand management and supply interventions.

In financial year 2008, the agriculture sector will be accorded special attention through a comprehensive set of measures involving, principally, a focus on commercial scale production with the establishment of 17 large farms. This action will serve to rejuvenate the sector, in particular, production on the more than 7,000 two-acre sized plots allocated to the former employees of Caroni (1975) Limited, will also be part of this agenda.

Backed by a better resourced Agricultural Development Bank, a special regime of incentives, enhanced monitoring arrangements, including the establishment of a Prices Advisory Council, Consumer Advisory Board, a Competition Commission, skilled development and expanded infrastructure, the agricultural sector with a budget allocation of \$1.2 billion, is now being geared to enhance production substantially and ensure reasonable food prices and food security in Trinidad and Tobago. This is a milestone towards developed country status.

The Trinidad and Tobago economy has undergone a structural and fundamental change, in that the gas and gas-based subsector has assumed such a dominant position within the energy sector that the country is now a gas-based economy. We are continuing to lay the foundation for the diversification of the energy sector. The creation of downstream industries is high on our agenda.

We do not doubt that the energy sector will continue to be the driver of our economy for many years to come. Indeed, while we are already a leading exporter of major petrochemical products, the latest Ryder Scott natural gas audit provides ample guidance for policy relating to the establishment of an appropriate balance between production and reserves. This tool has been used in the past and it will be so used in the future to determine the appropriate level of exploration activity, in particular, in deep-water horizons where the risks and the rewards need to be appropriately balanced.

In the meantime, 16 wells will be drilled by the end of 2008. A new regime of incentives to further stimulate exploration activity will be introduced in fiscal year 2008 and we are in no doubt that new oil and gas will be discovered. This is a milestone towards developed country status.

In 2003, we created a tourism development plan and today continue to build on those efforts. We have expanded our upscale hotel room stock by developing plant and product. We have improved health arrangements. We are promoting and marketing our cultural and heritage sites, in particular, we are redesigning the Maracas Bay Beach Facility to meet international standards and we are marketing Trinidad and Tobago as a niche for business tourism.

The Hyatt International Hotel, which is part of the Port of Spain international waterfront centre, is hosting two major tourism conferences in 2008 and in 2009. It will host the 24-country Summit of the Americas and the 54-country Commonwealth Heads of Government. This is a milestone towards developed country status.

The collaborated and coordinated efforts of our law enforcement and other support agencies have led to reductions in certain categories of serious crimes, especially murders and kidnappings for ransom. With a budget of \$4.4 billion, the Government will continue to focus on the safety and security of all our citizens. It will remain a high priority.

Internally, the legal and regulatory framework for managing our security is being further strengthened with inputs from the recently appointed Crime and Justice Commission. The police service is being supported with additional human

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and physical resources, including a national fingerprint database, construction and/or refurbishing of 79 police stations, acquisition of 350 multi-purpose police vehicles. Externally, the strategic upgrade of the response platforms for our maritime forces has begun with the purchase of three offshore patrol vessels and the modification of two vessels, to discharge the mandate of the Trinidad and Tobago Coast Guard, pending the delivery of the offshore patrol vessels.

Moreover, six medium-sized fast patrol craft will be soon provided to the Trinidad and Tobago Coast Guard, thereby filling the gap between the offshore patrol vessels and a variety of smaller craft, including interceptor craft, six of which are now being procured. The purchase of four helicopters also in process, will serve to further strengthen our maritime enforcement capability. This, of course, is another milestone towards developed country status.

The competitiveness of a country is measured by its attention to, and upgrade of, its physical infrastructure. We have a budget allocation of \$2.6 billion for modernizing our physical infrastructure, which is required for the maintenance of the private sector driven growth. The road transport network is being modernized to support our developmental efforts through the upgrade of the physical infrastructure by the Programme for Upgrading Road Efficiency (PURE) and the further expansion of the bus service. The introduction in October 2007 of the water taxis will provide commuters with an alternative and efficient means of transport between key urban centres and the industrial estates on the west coast.

Over the longer term, the Trinidad Rapid Rail Transit System is being pursued to facilitate fast and frequent service along the East-West and North-South Corridors. The air and sea transport system between Trinidad and Tobago is being improved with emphasis on passenger safety, reliability of service, comfort and increased capacity. The port at Port of Spain is being made more efficient with enhanced capacity through its relocation to Sea Lots and the newly established drainage programme utilizing best available advice from international and local experts, is aimed at decreasing the incidence of flooding. This is a milestone towards developed country status.

The public utilities sector is being modernized, being made customer-oriented and technologically-enabled to provide efficient cost-effective and quality service to all our citizens. The Water and Sewerage Authority is being made a viable business to supply the country with a nationwide 24-hour, 7-day a week water supply. The

Water and Waste-water Master Plan will facilitate that process, and the Trinidad and Tobago Electricity Commission (T&TEC) is expanding its generation and transmission facilities to satisfy the national demand for electricity through to the year 2016.

To accommodate this strategic initiative, the Port of Spain power station will be retired in 2011 and replaced by two combined cycle power stations, one at Sea Lots and the other at Couva. This is a milestone towards developed country status.

A key objective in achieving developed country status is the strengthening of our governance system. Our agenda and our efforts are now being directed at the improvement in the functioning of the Executive, Legislature and Judiciary branches of government, the strengthening of the local government system and the training and development of the human resources of the public sector, with a view to creating a culture of excellence in the public service. This is a milestone towards developed country status.

Tobago has made significant developmental strides over the past six years due, no doubt, to our productive partnership with the Tobago House of Assembly. We will continue to provide the Assembly with the support it requires to continue its important developmental work in Tobago. The THA will have direct access to budgetary resources in the order of \$2.238 billion in fiscal year 2008. This is 5.3 per cent of the total expenditure in this financial year's budget and it will allow the Tobago House of Assembly to focus on the development of its human resource to compete in a global environment; the improvement in its physical infrastructure to maintain its business competitiveness; the enhancement of its social sector delivery and support system to take care of its under-served; and the diversification and transformation of its economy to support our diversification agenda. This is a milestone towards developed country status.

The fiscal operations for 2008 provide for the total Estimates of Expenditure for financial year 2008 to be \$40,292 million, of which \$380 million represents expenditure from the unemployment fund, including the Reforestation Programme of \$44 million; \$75 million from the Green Fund and \$4,000 million from the Infrastructure Development Fund. Total revenues are based on a conservative average oil price of US \$50 per barrel for the Trinidad and Tobago basket of crudes and a net-back gas price of US \$355 per MMBTU.

It should be noted that an average oil price of US \$50 per barrel for the Trinidad and Tobago basket of crude, equates to a West Texas intermediate oil price of US \$55 per barrel. What this means is that we have, in fact, used a

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conservative price for our expenditure and on the basis of the excess that will be derived, we propose to have 60 per cent of that go to the Heritage and Stabilisation Fund.

As you know, the Heritage and Stabilisation Bill provides for 60 per cent of excess oil and gas revenues to be transferred into the fund by direct charges upon the Consolidated Fund. In financial year 2008, all excess oil and gas revenues will be transferred into the fund. Revenue is expected to be \$40,381 million; expenditure is estimated at \$40,292 million, creating a small surplus of approximately \$89 million.

**10.45 a.m.**

Included in our expenditure is an amount of \$1,969 million which represents capital repayment and sinking fund allocations and is normally treated as financing. The amount of \$7,900 million for the Capital Programme for 2008 comprises \$3,900 million from the Consolidated Fund and \$4,000 million from the Infrastructure Development Fund.

There are a significant number of fiscal measures for 2008 which I need to bring to your attention simply because in the other place, they were attached as an appendix and not discussed. In the presentation that we will receive there is a significant amount of that. Let me talk to a few that I consider important. Since the establishment of the Deposit Insurance Corporation (DIC) in 1986, the coverage limit has remained unchanged at \$50,000 notwithstanding the developments within the economy. The coverage limit is the amount a depositor can claim from the DIC in the event of the failure of a financial institution. This limit determines the potential liabilities under the deposit insurance scheme and also influences the extent to which depositors' confidence in the banking system can be promoted.

The time appears opportune to examine the relevance and sufficiency of the coverage limit for deposit holders. The wealth effect experienced by the population has filtered into the banking system. However, although deposit holders in the banking system may have increased their deposit holdings, the level of protection has declined. It is therefore proposed that with the coming into effect of the Finance Act, the coverage limit would be increased from \$50,000 to \$75,000 without an increase in the premium level with further possible upward adjustments being subject to review.

The Government has identified the issue of road safety as one of its priorities as existing road networks are expanded. It is proposed to use the proceeds of the insurance premium tax to establish a fund to compensate victims of uninsured drivers. The Central Bank in conjunction with the Ministry of Finance and the Association of Trinidad and Tobago Insurance Companies will establish a proposed structure for the establishment of the fund with the view to having it operationalized in the new fiscal year. In the light of the need to reduce the quantum of road accidents and the overall carnage on our roadways, it is proposed to introduce legislation to make it an offence to use cellular phones and other similar electronic devices while driving. It is also proposed to introduce legislation to ban the use of television type monitors in the front seat of vehicles. These measures will involve amendments to the Motor Vehicles and Road Traffic Act.

Returning nationals who have resided abroad for a continuous period of at least five years immediately prior to their return to Trinidad and Tobago are entitled to claim relief from customs duties and motor vehicle taxes. This arrangement has been reviewed and it is now proposed that the period be reduced to two years. This measure will require amendments to the Customs Act and the Motor Vehicles and Road Traffic Act.

It is also proposed that there be an amnesty for tax penalties and interest on late filing of income and corporation tax returns. This amnesty is proposed because the Government believes that the tax liability to be collected far outweighs the penalties and it would also encourage taxpayer compliance. This amnesty will apply to returns and taxes due for years of income up to 2006. All individuals who have outstanding tax returns and liabilities and associated interest charges will have these waived if they comply by April 30, 2008.

It is proposed to amend the rates of import duties on the following items and to have them suspended from 5 per cent to 0 per cent; milk and cream in powder, granules or other solid form of a fat content by weight not exceeding 1.5 per cent, not containing added sugar or other sweetening matter.

It is proposed to remove the import surcharge on the following items from the date of publication of the necessary legal notice: meat and edible offal, of poultry heading 01.05, fresh, chilled or frozen; of turkeys; cuts and offal, frozen backs; necks and wings; other; of ducks, geese or guinea fowls; not cut in pieces, fresh or chilled; not cut in pieces, frozen; other fresh or chilled; other frozen.

Section 8(1)(x) of the Income Tax Act exempts from tax the lump sum death benefit paid under an employer's approved pension plan. However, no similar

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exemption exists with respect to lump sum death benefits under approved deferred annuity plans. This appears to have been an oversight. It is proposed that with effect from January 01, 2008, section 8 of the Income Tax Act be amended to exempt lump sum death payments paid under an approved deferred annuity plan from taxation.

Currently, when there is a reward of contributions from a group pension plan the lump sum is taxed at source. When an annuity is surrendered the lump sum is taxed at source but the taxpayer is also required under the legislation to declare the income in the year it is received. The tax which was deducted at source is treated as a credit. It is proposed that there be consistency in the treatment of a reward of contributions and the surrender of an annuity; that is, that tax be deducted at source in both cases and then the income be declared in the year in which it is received and a credit received for tax deducted at source.

It is proposed that the interest to be computed on outstanding tax liability be accrued from the date after the due date to the date of payment of the tax or such earlier date as the Board of Inland Revenue may determine. The reason for this amendment is to give the taxpayer a grace period for payment of interest. This measure will take effect from January 01, 2008, and will require an amendment to the Income Tax Act, Chap. 75:01.

At present when a taxpayer has a liability or refund of \$3 or less the tax is settled and no payment is due or refund is issued. It is proposed that this amount should be increased to \$100 where the tax liability does not exceed \$100 and \$25 where the amount assessed for refund does not exceed \$25. This will assist in reducing the administrative burden placed on the Board of Inland Revenue. This measure will take effect from January 01, 2008, and will require an amendment to the existing legislation.

In 2002, we took the bold step of articulating a vision to bring unprecedented prosperity and a higher quality of life to all our citizens. Our accounting for our stewardship bears testimony to our unwavering commitment to achieve results in all areas of our national life. As we pause to consider our next step we have achieved much. We have witnessed a sustained momentum in our economic growth. Our economy has doubled. We are at full employment. We have seen that the incidence of poverty is on the decline. We are developing a knowledge-based economy. Our citizens now have access to quality education; health care and housing, all of which are affordable. We are ensuring that the environment is valued as a national asset and conserved for the benefit of future generations.



We have created a business climate which is attracting investors. Most certainly, we are making every effort to make Trinidad and Tobago a safe and secure place to live, visit, do business and raise families for all our citizens. This is a milestone towards developed country status. We have challenges; we have a plan; we know what is required and we are prepared to so do. We have delivered because we care.

I beg to move.

*Question proposed.*

**Sen. Wade Mark:** Madam President, many natural resource-driven countries are seeking ways and means of combatting what has been referred to as the resource curse. In our country, we too, are in mortal combat and daily struggle in locating countless ways and means of combatting and ultimately overcoming the Manning curse. After six years of PNM's deception; empty promises; reckless spending and unprecedented wastage of the nation's dollars, this country is worse off today than it was under the previous UNC administration. A major shift therefore, has got to take place. A new direction is needed if we are to change course.

The inability of this regime to transform and swiftly diversify the economy is yet another manifest failure of its performance; lack of managerial skills and ineptitude at governance that is astounding. Fiscal indiscipline manifested by poor management of the nation's revenues has been the outstanding hallmark of this regime. The country's oil and gas wealth has not been wisely spent. Squandermania has been the name of the game. After six years of "ol talk" and "gambage", where is the spirit of innovation, entrepreneurship and self-determination? Where is the economic and political stability, still largely, where our country remains largely dependent on external conditions?

**11.00 a.m.**

Despite our comparative advantage of dwindling oil and natural gas, true competitive advantage remains to be exploited. Instead of embarking on a path of unique and sustainable development through the upgrading of the country's physical and social capital which represents the best potential for long-term growth and prosperity, this reckless and irresponsible Government has been engaged in a gas-driven spending spree of immense proportions.

This intellectually bankrupt regime ought to be reminded that a nation's prosperity is created not inherited. Innovations continue to be stifled through excessive bureaucracy. We live in a capitalist-free enterprise economy and the Minister of Finance needs to be reminded that firms compete, not nations. In this regard, it is the

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responsibility of the Government to make it easier for firms to do business. Business development stimulates sustainable employment and exposes citizens to new technologies, processes and skills through research and development.

Is it any easier to do business in Trinidad and Tobago today in view of the Government's much touted boast of seeking to achieve developed nation status by 2020? A recent World Bank publication entitled *Doing Business in 2007* ranked Trinidad and Tobago as number 59 out of 175 countries. Using some 10 quantitative indicators on business regulations and protection of property rights such as starting a business, dealing with licences, employing workers, registering a property, setting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business, the report revealed, Madam President, that, in 2007, it is easier to do business in St. Lucia, Antigua and Barbuda, St. Vincent and the Grenadines and Jamaica than it is in Trinidad and Tobago. Imagine Antigua and Barbuda ranks 33 out of 175.

Let us look at four of these 10 indicators to highlight the entrenched inefficiencies. To start a business in this country involves nine procedures and it takes 43 days, if you are lucky; dealing with licences involves 19 procedures and takes 292 days. If you want to register a property, it takes eight procedures or 162 days or five and a half months. Contract enforcement, which deals with the ease or difficulty of enforcing commercial contracts, involves 37 procedures and takes 1,340 days or three and a half years.

How easy is it to resolve bankruptcies in our country? Trinidad and Tobago is ranked 51 out of 175 countries. St. Lucia beat us; Antigua and Barbuda beat us; Jamaica is ranked 23. Where is this so-called one-stop shop that we have been promised? In spite of all the wealth and income, Trinidad and Tobago and its people are still experiencing poor and depressed social conditions. The country's quality of governance indicators have severely deteriorated under this regime.

Madam President, are you aware of another World Bank publication that deals with Government's indicators? There are about six of them which I wish to draw to your attention. The first is voice and accountability. In 2000, under the United National Congress, it was rated 65.4 per cent. The higher the value the better off you are in governance. Under the PNM, in 2006, it declined to 62 per cent. The second indicator is political stability and absence of violence. Under the UNC, it was 48.1 per cent and, in 2006, under the PNM it was 41.3 per cent. Under

government effectiveness indicator, which deals with the quality of the public service and the degree of its independence from political pressure—[*Interruption*] That is the World Bank governance indicators report. The results show poor quality in policy formation.

There is another instructive indicator—the regulatory quality indicator. Under the UNC, in 2000, 75.6 per cent; under this regime, at the end of 2006, the World Bank is saying, 71.2 per cent. The rule of law under the UNC in 2000 was 62.4 per cent; under this regime, at the end of 2006, it is 48 per cent. This is the World Bank speaking, not Wade Mark.

They say they are the beacon of integrity. Hear what the World Bank has to say about the PNM. When the UNC was in office, our rating was 62.1 per cent; under this PNM, at the end of 2006, it is 54.9 per cent. This tells that there are falling standards under this PNM. Democracy is increasingly under threat and corruption and the abuse of public office has increased since that party came into power. This has resulted in a loss of confidence in the Government and in the administration of justice.

The indicators also stated that the quality of institutional strength involving judicial independence, efficiency of the legal framework and transparency of Government policy making also show decline. In addition, key policy indicators continue to display a negative relationship between real GDP per capita growth and average inflation. Social development has worsened under the PNM watch during the past six years. The Genie co-efficient which measures the extent of income inequality has worsened in this country. The rich have become richer and the poor have become poorer.

According to an IDB special publication of 2006 entitled *From Growth to Prosperity*, they provided us with social indicators as at the end of 2003 and 2004. Those were the latest. The mortality rate under five years is still high in this country. Telephone lines per 1,000 persons remain very poor—250 to 1,000 persons. Internet users per 1,000 is 9.2 per cent. Members of the labour force with tertiary education is 6 per cent. Secondary education enrolment is 70.3 per cent.

Madam President, life expectancy is still 72. In some countries, it is over 80, which we are seeking to reach and, according to this report, the youth unemployment between the ages of 15 and 24 is 30.9 per cent. These are the realities that we are getting from these reports.

I turn to the budget of 2008. It has turned out to be one of the biggest and most expensive con jobs in the history of this nation. Having lost their way in the

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last budget, the regime has now become confused and in this state of confusion is behaving in a most reckless and irresponsible manner.

This ought not to surprise anyone because leopards do not change their spots. A generation ago, in 1977, when the Minister of Finance was a Member of Parliament, the budget presentation at that time was almost identical in content to what the Prime Minister read two weeks ago.

Madam President, five years later, in 1982, when the bubble burst, we found out how reckless and irresponsible the government at that time was and how misguided were their actions and policies. They created 12 years of depression during which the poor people of this country experienced the greatest deterioration in their standard of living. We are witness to the repetition of an old chorus. "Have money will spend" without care or concern for the glaring which now confronts this Government.

Some may even be prepared to forgive the errors of the past because we were an inexperienced country with little knowledge of international pressures. Today, we on this side are wiser, but it appears that the Government is bent on ensuring that the poor people of this country remain poor.

The 2008 budget is presented in the frightening context of massive declines in gas production that has boosted economic growth since 2002. It is presented in the context of a relative contraction of the non-oil economy, with precipitous declines in agriculture, tourism and manufacturing contributions to GDP. It is presented in the context of high inflation and an alarming increase in the levels of poverty. The Government has failed to understand that the critical problem facing this country and the development prospects of our nation hinges on its ability to build important institutions and wisely and effectively to manage resources.

We are not surprised that, despite the ability of the Government to spend large sums of money in make-work programmes, criminal activities have not fallen. Their mechanism of spending more in an attempt to solve these systemic problems indicates clearly that there is absolutely no understanding of how to fix the problems like crime, the cost of living, credibility, congestion and rampant corruption among other things.

Let us look at the cost of living. The PNM regime like previous regimes has failed to address and overcome the problems of the cost of living. Let us look briefly at the impact of the budget on the non-working people of our country. Under six years of PNM rule, the misery index has worsened for the majority of the citizens. The misery index is the number of people who are finding it

extremely difficult to have three decent meals in a day while the Government, without a shred of evidence, indicates that 17 per cent of the population, which is equivalent to 220,000 citizens, is unable to have adequate nutrition. We know that it is much more. In any event, it is 17 per cent more than what we will be happy with in Trinidad and Tobago.

Imagine nearly one fifth of this country's citizens cannot be guaranteed a daily bread. When we look closer at the level of misery experienced by these powerless and marginalized citizens, for the last six years food inflation rate has exceeded 15 per cent and reached up to 24 per cent. We are told that it approximates 18 per cent. This means that four years ago, when this Government was in office and a tin of sardine cost, say \$2, and would now cost \$4.50—I checked it out personally—the price of a tin of sardine today is \$6.00. This is an example of a food item consumed by the poorest people in this country, and which has now become a luxury. We have estimated that one in every three persons cannot obtain the minimum caloric requirement for a proper diet.

We speak a great deal about inflation, but we need to focus on the very disturbing problem of food inflation which, because it went unchecked over the last four years, now means that even the inflation rate of food, even if we reduce it to zero, the level at which food prices have reached is so astronomical that one is at pains to determine what poor people are eating today to nourish themselves. And this Government says that this is a love thing for poor people. Is this really love?

### **11.15 a.m.**

The Minister of Finance has once more attempted to pull wool over the people's eyes by falsely promising a revolution in agriculture. All we wish to do is simply remind the people that the only promises that truly count are promises that are met, and the PNM's track record, to be frank, is not good at all.

Madam President, the old age pension which was raised by \$300 does not compensate for the serious loss in purchasing power experienced by our senior citizens. The increase in NIS to retirees; the back pay to URP and CEPEP workers; the increase in the Disability Grant and Public Assistance are all too little too late. Not only is this Government reckless and irresponsible, but it is callous, brutal and calculating in the level of disrespect and disregard it harbours for the most vulnerable in our society. [*Desk thumping*]

Madam President, all individuals in the categories mentioned are persons who are powerless and voiceless. They are not represented by trade unions and they have absolutely no bargaining power in our so-called free enterprise society or

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economy. They depend entirely on the judgment of the Government to protect their welfare. The biggest enemy to these people is an inflation rate on food items, services, medicine and housing.

The Government, by continuing to behave in a manner which has caused the unemployment rate to be artificially low so that they could buy votes, has sacrificed the welfare of the vulnerable who have seen the little dollar they got shrink in value since they came into power.

The increase in the minimum of a dollar which is equivalent to 10 per cent shows, quite clearly, that this Government is intent on deceiving poor people by giving them money on the one hand, and then immediately taking it away, demonstrating its selfish macroeconomic policies of lowering the unemployment rate without regard to the effect on the poor and the vulnerable. [*Desk thumping*] That is how they make love! [*Desk thumping*]

We take this opportunity to remind this Senate that under a UNC administration we kept the inflation rate well below 5 per cent during our entire six years. [*Desk thumping*] The real beneficiaries of this budget are not the poor. The Government has been hijacked by big businesses, especially those who control the construction industry, both foreign and local, and by those who are known financiers of the party and whose businesses have realized hundreds of millions of dollars in profits over the last few years.

Let me turn to crime. The first duty of a government is to protect its people and to ensure the laws which are passed are rigidly enforced, respected and obeyed. Trinidad and Tobago ranks unusually low among countries with similar incomes. Look at the Global Competitiveness Report! Hear what they indicated. According to the business costs of crime and violence, this country ranks 87th in a sample of 104 countries with a score of 2.8, compared to the worldwide means score of 4.4; likewise, according to the organized crime indicator in this Global Competitiveness Report, the country ranked 89th out of 104 countries with a score of 3.4 compared to a worldwide means score of 4.8. The imbalance is striking. The source of this data, as I said, is the Global Competitiveness Report.

The recently launched Global Peace Index, which is aimed at assessing over time the level of peacefulness in 120 selected countries, ranked Trinidad and Tobago at No. 94 out of 120. Norway was ranked No. 1. Imagine Jamaica is more peaceful than Trinidad and Tobago! Jamaica is ranked No. 81 and Trinidad and Tobago is ranked No. 94. Madam President, just 16 steps away, Trinidad and Tobago, under the PNM, is 16 steps away from Iraq which is the last country on the whole list.

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Madam President, this index looked at by national investors and their implications for our tourism industry—As I am on the tourism industry, I just want to bring to the attention of the hon. Minister of Tourism, a scam that is taking place under his watch.

In the Tourism Development Company, there is a scam involving duplicate invoicing. Madam President, I have been informed that one supplier—I am going to make it available to the public and to you—by the name JCD & Associates submitted two separate invoices for supplying the same service, and received two sets of moneys for supplying the same service. A case in point is this organization; \$28,750 on the same day, invoiced and paid and they sent another invoice for the same amount of money on the same day and they got paid in March this year.

I want the Minister of Tourism to know that this matter was brought to the attention of the board of directors by the internal auditors PricewaterhouseCoopers through the Manager, Finance and the Vice-President, Corporate Services. No action has been taken to date on this scandal. I would like an investigation and police action into this matter.

Madam President, I would like to tell the hon. Minister of National Security that we are witnessing the disintegration of our country, because of the continued lawlessness and his inability and failure to address same. Madam President, \$13.5 billion and after six years, every year the murder rate climbs; the kidnapping industry expands; the number of violent crimes against the person increases; and the level of fear and insecurity expands exponentially.

The Government has to understand that it must fix the institutions of law enforcement before the crime problem is arrested. [*Desk thumping*] In this regard, if the Government holds the attitude that in order to fix crime you have to fix me first, then this country is heading for chaos.

We established VMCOTT to fix problems in the service, and instead of fixing problems VMCOTT is importing spying equipment to spy on the population.

Madam President, let me deal with the question of traffic congestion in our country. Traffic congestion is a serious problem in our country. I would like to let you know that this Government has no land use policy; it has no policy of decentralization; it has not thought it fit to decentralize state functions from the City of Port of Spain. We still do not have the water-taxi service which was our idea and implemented through the Government that had indicated that this service would start in January.

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Madam President, the slow pace of implementing these projects, a massive corruption associated with these projects and the lack of credible assurances from the Government, all point to its inability to address the congestion problems confronting the people.

Madam President, I want to come to the vexing question of corruption. The incidence of corruption in several transport projects: rail, road and sea is largely responsible for the failure of the Government to produce the necessary infrastructure which will ensure that the commuting public can travel comfortably.

Madam President, the level and scale of corruption in this administration is shocking, shameless and simply mindboggling. This Government which came into office on a platform of integrity in public life sacrificed two Cabinet Ministers, so that all those who are doing business could now have a free passage to plunder the Treasury. [*Desk thumping*] They were used as scapegoats, a smokescreen, whilst others engage in massive corrupt practices. The level of pilfering and shameless stealing of the public moneys must be penalized and punished. [*Desk thumping*]

I want to warn them, those who have “cocoa in the sun”, run! When the UNC rain starts to fall, we want to warn you! We have learnt well. One law for all, from the Prime Minister down! Let us look at a few scandals in some of these ministries which the police will need to pay attention to.

I want to go to the water-taxi project. We are advised that NIDCO which is supposed to be an engineering project management company and responsible for the entire water-taxi project is currently being managed by a group of bankers. Unbelievable!

A committee chaired by the NIDCO chairman, one Mr. David Brash, was formed in August 2006 to oversee the implementation of the water-taxi project. Members of this committee, Attorney General, were handpicked by this gentleman. Contracts were given on a sole selective basis to these members. All the contracts were manipulated by this gentleman and awarded by the management. In most instances, no opportunity was given for other parties to tender.

Let us deal with PEL Engineering Limited. PEL Engineering Limited owned by a committee member whose name I have and I will not call, was registered in 2006 specifically for doing consultancy work on this water-taxi project. A contract in the sum of \$2 million was awarded to this company on a sole selective basis to undertake design work. No opportunity was given to any of the country’s reputable consultants to bid for the design work.



Marine Construction Services another company; supervision of contacts have been given to this company on a sole selective basis. This company is owned by a member of the committee who is a close friend of the chairman. This company does not employ any qualified engineers on its payroll as far as we have been advised. This committee member is also paid for his services of sitting on this committee.

Madam President, another member of the committee and a close friend of the chairman drives the chairman's personal boat. He is being paid a fee of \$67,000 per month.

**Sen. Dr. Mc Kenzie:** To drive a boat?

**Sen. W. Mark:** No, just to sit and attend a meeting. He is the friend of the chairman. His input into the project is very minimal. He has produced nothing, but he has to be a very good driver; that fellow. Madam President, \$67,000 a month. I have his name, but I will not call it now.

Environmental Services Limited, this company was awarded a contract, again, on a sole selective basis for \$3 million for the provision of some isographic services. No other company was asked to quote for the job. The owner of this company is also a close friend of David Brash.

There is a another company called RS Plateau, the main company with respect to the procurement of the vessels, we understand valued at some \$150 million; the owner is the chairman's personal friend and has done work for the chairman in his private capacity. He has been given a contract on a sole selective basis for US \$600,000 plus expenses. No other company was given an opportunity to bid for the provision of these services.

The first set of piling was done by a company named BIS-H Limited whose owner is closely associated with the chairman and another member of the committee. Three quotes were received: BIS-H \$2 million; Land and Marine Company, \$700,000; Caribbean Sea Works \$500,000. The contract was awarded to BIS-H Limited for \$2 million. The piles were driven in April 2007 and no work on the structure has since been done. BIS-H Limited was also given a contract on a sole selective basis valued at \$4 million for driving a test pile.

At the time the piles were driven, there were designs with respect to the jetty. The designer PEL Limited advised NIDCO that they would take no responsibility for the driving of a test pile, but would attempt to incorporate the piles in designs.

**11.30 a.m.**

Madam President, environmental issues. The first set of piling was deliberately undertaken, we understand, without a Certificate of Environmental Clearance (CEC). This was done—we advise; we cast no aspersions—on the advice, on the instructions of the Minister of Works and Transport. The Environmental Management Authority subsequently issued to NIDCO a violation order. The CEC still has not been obtained and this company is proceeding deliberately to break the law by continuing the works.

These are serious irregularities involving taxpayers' money. It requires police intervention and the Director of Public Prosecutions. The Chairman is a member and he has to submit his assets, income and liabilities to the Integrity Commission. What is the role of the Minister of Works and Transport in this whole scenario? Let him inform the nation. I intend to bring these corrupt practices of this Chairman of NIDCO to the Integrity Commission and the Police Commissioner.

Let us look at the construction of the Interchange, as I continue. A contract was awarded to Vinci Construction. That is the same Vinci that just get—"nah, they get de big wuk? Vinci, no, Bouygues."

**Sen. Dr. Gopeesingh:** Bouygues, Bouygues.

**Sen. W. Mark:** A contract was awarded to Vinci Construction to build this Interchange at a cost of TT \$321 million plus VAT; 35 per cent of this sum, we understand is to be paid in euros—Attorney General. After the award of the contract, NIDCO agreed quite deliberately—probably acting on instructions from high—to use an exchange rate of euro \$1 to \$7.60. So, the foreign exchange component was the buying rate as the base, as established in the tender documents. It is the norm for foreign exchange on Government contracts to be provided at the selling rate and not the buying rate. This happened under the watch of the Minister of Works and Transport. You know what is the end result of it, Madam President? The net effect is at today's exchange rate, the citizens of this country have already lost approximately \$18 million; and this contract for 18 months, and we understand it might go over.

This arrangement by NIDCO has cost us to lose \$18 million. The Minister of Works and Transport must clear the air on this transaction immediately and make the terms and conditions of the entire contract public. We want to know who took that decision to give them the buying rate rather than the selling rate and we are paying extra money. So, they are going to go home, not with \$321 million but maybe \$390 million.

Let us look at the Churchill Roosevelt Highway works. This improvement works was valued at \$114 million. It was given to Louis John Williams firm, Universal Projects Limited. This firm does not have the experience or required capability. There is a "fella" called Harry Ragoonanan, a close friend of the Prime Minister; he is advisor and friend of the owner, Louis John Williams. Both Phases I and II of the project are behind schedule by several months. We are being advised that Phase I of this project will now cost this country and taxpayers, from an initial price of \$74 million to \$180 million; whilst the Phase II will now cost us from \$67 million to \$150 million. A combined initial price of \$140.1 million for an entire project, is now going to cost the taxpayers \$330 million, an increase of \$190 million.

Madam President, I want you to know that the initial price was \$140 million. With the failure of this Government to take action against their friends, we are now being called upon to increase that to \$330 million and fork out \$190 million more for this project. If this is not corruption, I do not know what is. [*Desk thumping*] This project, as I indicated to you, is what has been described as the Churchill Roosevelt Highway Improvement Works Project.

Let us go to the Rapid Rail Project. At the end of the 45th year of Independence, it pains me to listen to our Prime Minister. After apologizing for misleading the Parliament, he made the following statement in the *Newsday* and the date is Thursday, August 30, page 13. Hear what our esteemed Prime Minister told this country. He was defending a French firm called Bouygues; a firm, which the world knows, is one of the most corrupt firms in France. The Prime Minister stated and I quote:

"...all around the world companies were getting into trouble for business practices. If Government were to look for companies which had 'no issues', it would have to 'spawn a company in the Vatican'."

In the Vatican—that is the Prime Minister. No one has questioned the competence of Bouygues, as a construction firm. What was questioned was the way Bouygues does business. The Prime Minister should ask the question as to why he states and I quote again:

"...all around the world companies were getting into trouble for business practices."

What is absolutely amazing is that the Prime Minister in seeking to distance himself and his Government from the Monteil fiasco, does not see his own double

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standards when he says and I quote again from the *Daily Express*, Thursday, August 30, 2007 on page 3:

"I wish to make it collusively (sic) clear to all members of this House and to members of the national community that whether it is legal or not, it is contrary to Government policy and Government frowns on the whole way..."

What is the Government of Trinidad and Tobago's policy when it comes to dealing with private sector entities that are internationally known to be corrupt? Does Mr. Manning, the Prime Minister frown on the corrupt practices of international firms? What is even more amazing is that Trinidad and Tobago is a signatory to the UN Convention against Corruption, which the Attorney General signed, but has not brought national legislation to effect the provision of that convention. And that is also noted in a number of other countries.

What is even more alarming, on Independence night the Minister of Works and Transport, whose campaign manager is Andre Monteil, undertook what could only be described as a remarkable deception. The Minister stated that when you go into the international literature you would find that most of these firms, such as Bouygues, have been fined or accused of anti-competitive behaviour. The Minister also admitted that the companies that submitted bids for the railway project have been fined in countries for anti-competitive behaviour. But it is a long jump—according to him—from anti-competitive behaviour to bribery and corruption.

What is anti-competitive behaviour? Anti-competitive behaviour is a generic phrase which includes any action in trade matters, which leads to unfair competition and restriction of trade, and the United States, United Nations and the United Kingdom government have taken steps to deal with that. This is a company that was engaged through its sister organization called Alstom, in fixing prices, sharing market, limiting production and rigging bids. I want to repeat. They rigged bids in France, Alstom, of which Bouygues owns a large percentage of its shares.

Madam President—I have with me and I will make available to you and the House—evidence from the European Commission, where Alstom was fined euros \$65 million for bid rigging. That is corruption; that is a criminal offence. I want to say, the Minister has sought to justify his administration's association with Bouygues, by attempting to hide their corrupt activities under the generic phrase of anti-competitive behaviour, which includes bid rigging and forgetting of course, that in the Piarco matter, which was sent to the United States, the Homeland Security charged people for bid rigging and bank fraud. [*Desk thumping*]

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Here it is we want to ask the Government—and I have made available to you, forms which I will pass on to you and my colleagues in a short while. They are forms which were distributed—Neil you could pass it on to Madam President—by NIDCO. And this is in fact, the actual E.U. document where Alstom, which has the majority shareholding, which Bouygues has the majority shareholding in, find in 2007, 14 years from 1988 to 2002, they “thief” from poor people in Europe—this Bouygues —and you are coming here and defending Bouygues.

How can you defend Bouygues? Bouygues should be in jail. We should halt that Rapid Rail Project involving this company. [*Desk thumping*]

**Sen. Ramroop:** Just go back to the budget. [*Crosstalk*]

**Sen. W. Mark:** Yes, we are going, man. We want to deal with this matter; this is a serious matter and there is a whole procedure involved in it. Bid rigging is a criminal offence and this company called Bouygues is a bid rigger and this company has gotten the contract for a Rapid Rail Project costing this country \$15 billion.

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

*Motion made,* That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. Dr. T. Gopeesingh*]

*Question put and agreed to.*

**Sen. W. Mark:** This same Bouygues got a contract for \$2.4 billion to build the International Waterfront Project and I only learned today that Calder Hart has given Bouygues the contract to outfit the 26-storey towers without any tendering. This is the kind of corruption taking place in this country and the Attorney General sits there.

**Sen. Dr. Gopeesingh:** Plenty work for the Attorney General to do.

**Sen. W. Mark:** Plenty work for you to do. This is like an "Alice in Wonderland" story; it becomes curiouser and curiouser as you dig deeper and deeper into it. I cannot go into it, I will have to go on the public hustings and share with the masses of people, the extent and stain of corruption under this regime. [*Desk thumping*] I cannot even take the time; I have only 15 minutes more. I have so much information to unleash on this wicked regime.

The rule of law is under threat in this country, selective and discriminatory justice is the order of the day. The Commissioner of Police, who is on his way

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out of office, could find time contrary to the oath of office, to participate in a political meeting. But you know what hurt me about this thing? I read in the newspapers where the Commissioner of Police referred to the hon. Prime Minister as "Manning"; "If Manning say so, is so". I mean to say, how can a Commissioner of Police refer to the Prime Minister as "Manning" and "if Manning say so, is so"? "He doh have no time, you know."

This same Police Commissioner had no time over the last six years, to investigate the LABIDCO \$500 million scandal. [*Desk thumping*] The former Mark Mohammed SC, now High Court judge, instructed this man to investigate the offences of conspiracy to defraud and misbehaviour in public office, involving the Prime Minister, Ken Julien, Barry Barnes and Dr. Lenny Saith. Up to now, no investigation; six years after; and the DPP instructed him to do that.

This gentleman called the CoP—I do not know if he is associated with the Alliance. But you know what? "He have no time to deal with these things; he playing political games." We want to call on him to tell this country why he has not taken any action against a senior Cabinet Minister, who is alleged to have hired a hit man to murder the late Rubindranath Maharaj? Why has the CoP not responded to the letter? I have a letter here which I will make public. [*Crosstalk*]

**Madam President:** Senator, please. Senator! I know you have not called anybody's name, but really speaking, when you are talking about somebody hiring a hit man and you are speaking like that in this Senate, I think you are going a bit too far. Please, please be very careful in what you are saying. You could go on the hustings with that, but not in this Senate.

**11.45 a.m.:**

**Sen. W. Mark.** Anyway, I want to leave with you a letter written by Anand Ramlogan to the Commissioner of Police on August 26, on this whole matter. I will leave it for the time being until I go on the hustings.

Madam President, I would like the Commissioner of Police also to investigate another Minister in the Cabinet who is alleged to have received some \$9,466.66 under false pretences which tantamounts to fraud. I am advised that this Minister received payments of travelling allowance in that amount for the period November 07, 1995 to March 1996, when that Minister was not the owner of any vehicle, which was a pre-requisite for the payment of travelling allowance. That Minister at that time was the Business Development Manager in the airport and we understand from this report that I have here, all the evidence is attached, that during the period, this officer received this sum of money in cash. I have the

document before me and I call on the Minister of Education in this matter to answer this charge that I am levelling today and I have evidence of it and I will pass it on to her. I cast no aspersions on the Minister of Education, but this is a document that should go to the police.

Madam President, let me go on to the other matter. The \$16 million of poor people's money was taken by Andre Monteil as Chairman of the HDC and deposited into the CLICO Investment Bank. He took \$16 million of taxpayers' money, put it in the CLICO Investment Bank and then borrowed that money to buy HMB shares. Attorney General, investigate that because the Minister of Finance must be aware of that. The Minister of Housing must be aware of that. I want you to investigate that for us.

Madam President, what we have seen in this country under this PNM is poor governance over the last six years. Sen. The Hon. Christine Sahadeo went to a big conference in London in 2005 under the Extractive Industry Transparency Initiative. She gave an undertaking—the hon. Minister that is—that the Government would publicly commit itself to becoming part of this EITI criteria. Our country is still unable to meet its obligations at this time as we speak. Why the delay in becoming EITI compliant? Is there a fear of transparency and accountability?

The time has come for the law to reach into several PNM mega projects. I think that the police should get involved in the corrupt International Waterfront Project. I think the police should get involved in the corrupt rapid rail project. I think the police should get involved in the corrupt acquisition of three offshore patrol vessels valued at \$2.2 billion and to date, we have not seen the terms and conditions of this arrangement. The police should be called in and there should be an audit on the Prime Minister's inflated residence which started off at \$40 million and went to \$148 million. We want police there. Calder Hart should be interviewed, his wife should be interviewed; Shanghai Group of Companies should be interviewed in this one—and I want the hon. Minister, Sen. Christine Sahadeo to listen to this one—the rampant mismanagement and corruption at the Sugar Manufacturing Company and this transition team which you gave \$489.3 million.

Madam President, we understand that there is no accountability for this \$500 million. And you know what is even sad, more sad? They made available to this Minister and Ken Valley endless reports on the criminal conduct of the then Chairman of the transitional management team and they sat on those reports. I have them in a pile; “ah waiting for she to come in Tunapuna. Ah hear she is the candidate for Tunapuna.”

**Hon. Senators:** Who is she?

**Sen. W. Mark:** Well, the hon. Minister Sen. Christine Sahadeo, I understand is the prospective candidate. [*Crosstalk*]

**Madam President:** [*Inaudible*]

**Sen. W. Mark:** Good, good, good. All right, Madam President, I withdraw. Sen the hon. Christine Sahadeo, we are waiting for her in Tunapuna.

Major financial irregularities and corruption at NIDCO, police should come in there. The Tarouba Sporting Stadium, \$400 million, over \$1 billion now, we should have the police come in there as well. We live in dangerous times. The signs of an emerging dictator are there for all to see. Over the past six years, this Manning regime has been characterized by several defining features:

- disdain for the recognition of human rights and freedoms;
- identifying enemies and scapegoats as a unifying cause to cover up incompetence and corruption;
- supremacy of the military, manifested through a disproportionate amount of government revenue going towards them;
- control of the mass media;
- obsession with punishment;
- the intertwining of religion with government;
- the protection of corporate power;
- the suppression of labour;
- disdain for the intellectual;
- rampant cronyism and corruption; and
- fraudulent elections and the manipulation and control of the Judiciary which is around the corner.

Madam President, all these are characteristics associated with this regime in the last six years. They are the defining features of a fascist dictatorship. It is time to examine our character as a nation. This is the vision of this regime. It is dangerous, unhealthy, and the nation must stop them. We must not only oppose, combat and resist further imposition, but we must completely remove the albatross called the PNM from around the neck of the people in the next general election. [*Desk thumping*]



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Madam President, it was the former German Chancellor, Otto Von Bismarck, who wrote, "Political judgement is the ability to hear before anyone else, the distant hoof beats of the horse of history. Few of us hear the horses coming". Few of us hear the horses coming! What the Prime Minister just built, without the approval of the people is not a residence for him, but for an Executive President, that is what he has done. Few of us hear the horses coming. History will not absolve us if the Manning regime is not removed from office at the next general election. [*Desk thumping*] We must remove the Manning regime in the next election.

It is clear that this Government has demonstrated its inability to deal with the poor, oppressed and vulnerable. The inability of the PNM regime to protect citizens, build the infrastructure wisely, manage the resources wisely and the inflation rate, diversify the economy, provide the level of comfort in the environment of dwindling gas supplies, an unwillingness and inability to serve, as well as to protect the welfare of the citizens in time of uncertainty.

Madam President, the only thing that this Government was able to do, was to say what they planned to do over the last six years, that was all. We have heard the 2008 Budget in 2003, in 2004, in 2005, in 2006, and in 2007. It is the same khaki pants. The Government is full of talk and when we have had the 2008 budget, since 2002, it is really all "ole talk" again.

Madam President, in closing this Government will find that performance will beat "ole talk" all the time. We in the UNC would like to wish them well in their retirement. For some of them, it will be very comfortable, since they have made more than adequate provision; and for all of them, we simply wish them goodbye and farewell.

The fete is over; the time for work has started. It will be deemed as soon as the UNC Alliance assumes power in December. The PNM knows it will lose the next election. They will need a few more weeks to splurge and to enjoy their largesse in their last days; in their final days of waste, reckless spending and scant regard for the people and in particular, the poor, the oppressed, the downtrodden and the underprivileged of our country.

May Almighty God have mercy on their souls and may their souls rest in peace. Thank you very much. [*Desk thumping*]

**Madam President:** Before I call the next speaker, hon. Members, I know in a budget debate that you can talk about nearly anything, but I want to ask Members

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to please maintain the dignity of this House. [*Desk thumping*] Do not let it deteriorate into platform speeches.

**Sen. Mary King:** Thank you, Madam President. Madam President, when I addressed this Senate in last year's debate on the budget, and of course, previous years as well, I called attention to what I continue to term our economy which is broken, our "diseased economy".

In setting the stage then, Madam President, I explained that we were experiencing large inflows of wealth from our energy sector, and as a result, our non-tradable sector, our imports into the economy were growing, while our agriculture and manufacturing sectors were declining; the tradable goods and production were at best stagnating. And coupled with this, because we had such flows of wealth from the energy sector, we were experiencing increasing expenses in the maintenance of the social safety net, including URP, CEPEP and the other schemes that we have introduced, On-the-Job Training and so on.

I went on to show that the performance of the economy of the previous year as detailed in the budget document 2005/2006, showed exactly the same symptoms as past years of the Dutch disease. So today, I will focus on six main issues which are very relevant to this economy as we stand today. I will look at the economy overall including its structure and its performance. I will look at the savings from the energy sector and whether we are going towards a wealth-driven model of development, which has been proposed by a few people in the society. I will look at the need for rebuilding the innovative economy, the experimentally organized economy as it is known worldwide.

The fourth issue is the energy crises worldwide, peak oil, which is not just going to affect Trinidad and Tobago, it is a worldwide issue, so we need to look at it, and of course some of the sectors which I will look at are agriculture which is high on the Government's priority agenda and tourism, and of course, education. And finally, I will look at what we are doing this year, the macro-economics of the budget for the year 2007/2008 and look at some of the aspects of the spending that we are proposing. So if we were to look at the economy as it is at the moment, the performance for the year 2006/2007 is a mirror image of what has been happening over the past years.

### **12.00 noon**

If we look at the economy using constant 2000 prices, the petroleum sector provided us with \$52 billion while the non-tradable services sector provided \$45 billion, and manufacturing, \$6.4 billion of the total gross domestic product (GDP).

Agriculture, which has now become a crisis at this stage in Trinidad and Tobago, provided a miniscule \$388 million out of a total GDP of \$89.5 billion. In manufacturing, the largest subsector of the group was food and beverages at \$3 billion; compare that to a total agriculture of \$4 million. So you can see that the structure of our economy has remained unchanged, with an almost total dependence on the energy sector for foreign exchange earnings.

When we read the Review of the Economy, it boasts of the strong growth of the manufacturing sector, claiming that the strongest performance came from finance, insurance and real estate, which grew at 10 per cent, compared with 1.2 per cent in 2006. Distribution and restaurants grew by 10.3 per cent; that really is an increase in imports of distribution: cars, spare parts and appliances, all non-tradable goods; nothing that we make here; all imports. So we continue along the track of the diseased economy.

If we look at manufacturing, which the Government pushed some effort into this year, it showed a growth of 13 per cent in a subsector which is food, beverages and tobacco, and 7.7 per cent in printing and packaging. If we want to put those manufacturing figures into perspective, we have to note that the energy sector that drives our economy contributes 42 per cent to GDP, while manufacturing only contributes 7 per cent overall. If then we are considering diversification, the restructuring of the onshore in the face of the spectre of a limited supply of petroleum resources, then the small part played in the GDP by manufacturing presents us with a massive reconstruction challenge.

I also stated last year that if our natural resources were unlimited, then at today's prices the structure of our economy would pose no real threat to us and we could continue the existence we now have in the diseased economy; except that we would have problems with the equitable distribution of the wealth. So if petroleum were unlimited, we could continue to fund many of the make-work programmes to alleviate poverty, while those who understand the workings of our natural resource based economy, would continue to reap lucrative benefits. Some people are making a lot of money on what we are doing. But our resources are not unlimited; our resources are limited; the Ryder Scott report has brought this forcibly to the forefront of our thinking, and even if it were not 12 years of reserves, there is certainly some finite number of years which will certainly mark the end of gas supplies.

At today's rate, even if we had the required reserves, we would have to draw down at twice the present rate if we are to approach the GDP per capita of a developed nation. We know that in so doing we will not produce the required jobs and we

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will continue to have growth without development, just as we have had, and the Dutch disease will simply tighten its stranglehold on our economy. We need to focus on reconstruction. Let us look at the savings element.

A few Sundays ago, one of the newspapers carried an article by Dr. Barry Ishmael. He argued that if we were to save enough of the earnings from the energy sector and invest it in overseas equities, such that we earn enough to replace the yearly earnings of the energy sector, then depletion of our own energy resource could seamlessly be replaced by this capital asset. That was a view. I quote from his article:

"The most likely alternative to a resource-based economy is a wealth-driven economy, an adaptation of Michael Porter's wealth-driven stage of his competitive advantage model."

This view is also being expressed by some others, with respect to the use of our Heritage and Stabilisation Fund. I think this is a very restricted adaptation of Porter's model.

Porter sees the wealth-driven stage of development as one that reflects inefficiency, a reduction in competitiveness, a reduction in innovation, a reduction in all of the things which are necessary if we are to compete in the globalized world. In a wealth-driven economy the population is looking towards the dividends at the end of the year in order to survive; the life of the fat cats.

We have to ask the question: Is it really possible to attain this stage? I think the most important thing for us is to focus on continuing to earn an equivalent stream of foreign exchange yearly, even after the energy sector is no more. That has to be our principal focus. I also have to draw attention to the fact that we in Trinidad and Tobago have signed the Extractive Industries Transparency Initiative where the income from the energy sector is supposed to be clearly reported. It is not clearly reported in this budget statement. What is the value of US money earned by our Government in 2006/2007? Going through the documents I have made an estimate from the figures I have seen there —total earnings from the energy sector of US \$2.6 billion. So let us use that figure and look at the model of the wealth-driven economy.

If we are to move seamlessly into a wealth-driven economy after 12 years, then using 2007 figures and assuming constant returns from the energy sector, we would have to save US \$1.3 billion yearly. The Central Bank would only have a little over \$1 billion to play with in its open market operations.

If we start this savings in January 2008, that is US \$1.36 billion, and continue to the year 2020, when it is said that we may not have any more oil, this would give us after 12 years, \$26 billion in capital from which we could continue to earn annually. Assuming that we could have a 10 per cent dividend on our \$26 billion, we could continue to live annually on US \$2.6 billion, thus replacing the energy sector earnings.

If we look at what has really been happening in our economy over the past years, in 2006/2007 alone, the Central Bank put US \$2.095 billion into the local market. What this means is that if this is the demand of the market at the present time and at the present exchange rate, a move towards savings towards that wealth-driven economy will force a devaluation of the Trinidad and Tobago currency as the Central Bank will not have \$2 billion to play with, but a little over \$1.2 billion.

It should be very clear to us that a wealth-driven economy that lives off the dividends of our petroleum earnings will severely constrain the exchange rate of the Trinidad and Tobago dollar against the US dollar and in so doing restrict the country's GDP and its whole economic development. So to even start to think that way is very poor economic planning—if our planners were to see our future as only dividends and benefits from the savings of the Revenue Stabilisation Fund.

Another comment which was made by one of the Ministers of Finance was that in the event of us running out of petroleum, we could import our needs from Africa; the reason that we are developing a relationship with them at this moment, I understand. What is instructive to me is that the Minister did not say that we could import from Venezuela, our nearest neighbour that is reputed to have the fifth largest reserves in the world; maybe this is a sign of the relationship which we are not building with Venezuela. [*Laughter*] But this is the understanding, since the US and Mr. Chavez are not the best of friends.

The budget presented by the Minister of Finance gave a review of the good things the present Government did over the past five to six years. These have all been widely advertised in the press. Many persons have also pointed to the things which the Government promised to do and did not do, particularly in the Lower House. They have already discussed some of the things which have not been done even though they had been promised. The discussion in the Lower House even had one of the current Members of this House saying that the Opposition contribution was an excuse in misery, gloom and doom. I understand that Prof. Selwyn Ryan reminded us very recently that the Government does not always sing aloud its

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failures; it will sing its own praises. That is the task of the Opposition. I feel that the task of the Independent Senators should be one of analysis and one of trying to encourage good governance and innovation in the economy.

Since the good and the evils and things not done will be very well covered in both debates and in the press, I turn my attention to the theme of this year's budget statement: Determined to Reach Our Goal. Diversification is now on the lips of all and sundry, but how to accomplish this appears not to be readily understood.

I will interpret this goal in part, as developing an economy based not on petroleum resources alone, but on the ability of our human resources to produce an innovative and globally competitive economy. Last year I also addressed this theme and demonstrated that over the past five to six years, our Government, and even the one before, has made little real attempt at creating a sustainable non-oil or on shore economy. Up to today the economy is devoid of certain vital attributes to support systems, so ensuring the continued failure to bring about sustainable economic development.

If we look back, I will be so bold as to say that my contributions over the past six years contained critical comments on sustainable economic development, which are absolutely necessary if we are going to develop a way forward, thus achieving our goal which we are determined to reach; so we have to be real. Economic development includes much more than is traditionally the boast of this Government and the past one. The traditional economic parameters: gross domestic product per capital and its growth rate due to the exploitation of our petroleum resources; the reduction of unemployment; the increase in tertiary level graduates; the building of nonproductive infrastructure and investment in education are all boasted about year after year in these budget statements, are insufficient measures of our move towards economic development. Moreso, they represent economic growth as opposed to economic development.

**12.15 p.m.**

If we are to look at a sound economy, Madam President, there are other appropriate measures which include for example our competitive index which is still falling; the human development index, our ability to innovate and adapt to economic circumstances; and the corruption perception index. We are falling in all of those, and our Government can well boast that based on the first set of measures, we indeed have a strong economy but if we are to look at the latter set of measures, our economy is severely wanting. I have also recently heard the Leader of the COP talking about the third-generation reforms, but he has not yet spelt them out either.

Madam President, to bring about real reform, I think we have to look at the need for great leadership and governance. If we are to proceed to economic development, our leaders have demonstrated some ability to manage the non-risk factors, the deterministic part of our economy. They have been able to build the infrastructure and in most cases, they are building university buildings, they are doubling the student population at UWI, rapidly increasing the same at UTT, providing free tertiary education, and so driving up enrolment, but our leadership has been unable to address the nondeterministic or the risk factors which are part of our economic development, and we do have risk ahead of us. Our leaders have been unable to manage the risk that is ahead of us, so much so that we have sought to alleviate this risk by ignoring and wishing it away.

The most recent example of this is not only the Scott Ryder Report telling us we have 12 years of hydrocarbon reserves, but in the context of the failures of bpTT in its exploration, BHP Billiton in its production and the refusal of the Bid packages by "Big Oil" and now "Big Oil's" requests for more incentives so that they will explore. I think this should be a wake-up call for all of us, but our leaders are telling us to have faith, there is certainly more oil, and we are going to find it. Does this not indicate that there is a less than unity probability that is less than certainty of finding new gas? Does this not put risk into the industry? BP et cetera will attempt to find the gas for themselves, but with an added cost to us of course, and therefore, lesser revenues to our coffers.

I have already mentioned and reported publicly as well on the global concern that is peak oil. Let me define peak oil. This is reached when the global production of petroleum is unable to meet the demand at economic prices. Further, there may be a physical limitation in that the finite resources are coming to an end, and even BP has accepted this in our own slogan "Beyond Petroleum" and on August 27, BP Corporate has reported in *Newsweek* that it is investing US \$8 billion over the next 10 years in alternative energies.

Other oil companies see peak oil happening around 2025, the US Department of Energy reports that it may be postponed to 2030 and other analysts predict between 2015 and 2030. So in fact, globally, it is possible that peak oil is already upon us. There is increasing evidence that petroleum supply is declining off its various peaks all over the world.

Let us look at Saudi Arabia. There is a continued decline in its production and it has already declined to 11 per cent of its peak and its big Ghawar field is producing more sea water than oil. Whether that decline is geological, economic

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or political, we still see the price of oil steadily rising and it is now over US \$70 per barrel. So whatever we may think, we have to realize that peak oil is definitely here for importers, even in the region, due to the lethal combination of the flat-to-declining supplies, and the rapidly rising domestic consumption of those countries that are developing and some exporting countries. So the lifeblood of the world's economy is actually draining away right before our eyes, and this is hard to believe, because we will be told "have faith, we are going to find oil". We are looking at a world picture here—and if this is hard to believe, then we have to ask the question: Why then are the United States of America, the United Kingdom, Europe and Brazil turning large parts of their arable land into ethanol production? Why are certain countries moving to regain, to take back their petroleum resources from "Big Oil" like Venezuela, Peru, Bolivia and Russia, as the Saudis did many years ago?

Madam President, it brings us to the question that we may have to ask ourselves, which I am asking now: Why did we not repurchase our shares from PowerGen, but allowed them to be sold to the Japanese? Why is BP transferring shares in Atlantic LNG to GAZPROM Russia? Where is our strategic plan?

Madam President, the world at large is sure that in the future, petroleum will not be available in the same quantities required to maintain the economies as they now know them. What is uncertain is when this will happen and also when it does happen, what will be the sources of energy that would be available in the quantities previously supplied by petroleum. Those questions have to be answered by us.

But when we listen to the budget debate and read the documents on the *Review of the Economy* you will conclude that we in Trinidad and Tobago are living in a totally different world, one in which none of these uncertainties exist and it is business as usual. We are proceeding to build smelters, more steel plants, carrying on with the model of the 1970s scheme of industrialization.

So if we are serious, we have to admit to these uncertainties and the first problem that faces us is: what do we do about energy security? I do not think it is good enough to say that when our petroleum reserves run out we will import from Africa. What will we have to import it with, Madam President?

And if we are really talking planning of energy and energy security, the local electricity providers here use 90 billion cubic feet of gas per year. So if all our proven reserves, the 18 trillion cubic feet, were allocated to electricity, then we could produce electricity at the current level for the next 200 years. So we have



to manage this risk of running out of natural gas and I am suggesting that we put aside enough natural gas—say 4 trillion cubic feet to provide our local needs of electricity supply for at least the next 50 years for fuel and electricity, and I think our royalty from gas should go towards contributing to this security.

Madam President, if we are being real, which I always try to be when we are discussing economics, ethanol from local production, solar energy, wind, wave, and tidal energy will not reliably and sufficiently provide the bulk energy that our society has become accustomed to using. We have to look further as other countries are doing at the moment; the only alternative for us for electricity produced by gas is nuclear energy.

Today, with the world's confusion on nuclear use for weapons versus the generation of electricity takes this option away from us for the time being, but we have to note that countries like India are now discussing with the USA proposals to work with them for the establishment of nuclear energy for electricity in that country. So I repeat here that because of the fear of nuclear use for weapons, our only option is to set aside those reserves, 4 trillion cubic feet of natural gas for our progeny and for fuel and electricity generation.

Madam President, looking at particular sectors which I think we have to do, and looking at those on which the Government is focusing, at the moment let us just look at agriculture.

The budget talks about replacing the demand for imported highly priced food by growing our own. Now these global high prices for food are directly related to shortages of and increasing demand for petroleum and its resulting high prices. Also, part of the cause is the poor weather conditions which some are blaming on global warming and, of course, the use of the arable lands for biofuels.

Madam President, we in Trinidad and Tobago do not have enough arable land to be self-sufficient in food and further, the present technology for growing, processing and distributing food depends on the availability of cheap energy, cheap petroleum which does not exist.

So our talk about large and small farms to solve the problem of food security is again an attempt to foist a deterministic solution on a problem which solution globally has still not yet been resolved worldwide. So how are we going to manage this risk?

Madam President, we will not get cheap petroleum-based fertilizers from foreign direct investors or producers here. They are here to make as much profit

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as possible from our resources before they run out. There is talk about a regional policy, a food policy where the lands in Guyana and Belize could be put at the disposal of this region.

**12.30 p.m.**

The risk is that simply the land availability, as one component of the agricultural development, is not enough. We need to have non-petroleum based fertilizers, pesticides, farming technologies and transport that do not need cheap petroleum, and the latest research on bio-char is something that we, as a country, should be looking at as one of those non-petroleum based fertilizers.

It can be done because if we look at the history of Cuba, Cuba survived such a crisis when Russia collapsed. They survived by getting all hands on deck, all small producers, and even households got back to growing food crops, using virtually no petroleum-based fuels and petroleum-based products. So it can be done but we have to think it out and we have to strategize, which I am not seeing.

Another sector which our Government is focusing on is tourism. Again, we are talking about tourism as being one of the pillars upon which we will build this new economy. The Prime Minister actually stated in the budget statement:

“We in Trinidad and Tobago have only begun to exploit fully our considerable tourism potential which exists on both islands.”

Then he went on to talk about the risk-free artefacts of expansion, the waterfront, the Hyatt Regency and the recent opening of Trincity Holiday Express. But I think we have to consider instead, the uncertainty, the risk that got no mention in the budget or any of the supporting documents that I have read, and I have read almost all.

Those who are interested in development and particularly in tourism, will obviously be reading what other countries are doing and saying. The United Kingdom’s Airport Authority study stated—and this is a very recent study—that by 2020 some 1.6 billion people could be involved in international travel. Now, international travel involves consumption of petroleum. Present consumption of petroleum is of the order of 30 billion barrels per year and of that 84 per cent is converted to fuels and jet fuel alone, which is what we use in planes, consumes 2 billion barrels per year with, of course, the attendant global warming.

So if we assume the availability of fuel, the demand for jet fuel is expected to triple by 2030. But now that the study has taken on board the fact that peak oil is here, it is now estimated that only 60 per cent of passengers and 45 per cent of all

the freight requirements worldwide will be met, and all of these services will be provided at extremely higher prices. So just as with food prices, peak oil will have an alarming effect on the tourism industry, particularly cruise ships which drag behind their hotels and use lots of fuel. So there would be changes in the thinking of tourists, particularly when it comes to long-haul travel. So with this impact on tourism, with the increasing cost of travel due to fuel cost, the potential tourist, particularly from the United Kingdom and Europe, will reconsider travelling to distant and traditional destinations.

So have we looked at the risk ahead in the tourism industry? A reduction in tourism in the Caribbean, including Puerto Rico, which is very near to the United States, is already evident. So where will our new markets be? We have to think that possibly that the days of the German tourists flooding into Tobago are numbered. So our planners will have to decide whether tourism can be a pillar of our new economy and whether it is a competitive industry relative to other industries. The impact on Tobago could be catastrophic. So are we looking at the niches, such as culture, the food festival? I know the Minister of Tourism has begun in Trinidad the food festival, which is tremendous. Can we be a fashion hot-spot? Our religious diversity is certainly an attribute that we have to bring to the attention of our potential markets; attributes that will make people want to come because of what we are offering. People will need to spend more money to get here and that is what we have to be doing.

Education is a big item in this country and we have been spending a lot of money on education, and we can see that the future for us is not cut and dried. It is in very many ways, unpredictable. Risks exist that we must manage successfully in order to develop economically. There are other uncertainties and these emanate from having to build the new economy. There is no doubt in my mind that our Government understands that we have to build the onshore economy based on our human resources in which innovation, using our natural and structural advantages, will make us globally competitive.

Last year the Prime Minister made us realize that he recognized this when he said that in order to develop such an economy it is necessary:

“...to develop innovative people, to encourage a competitive business climate, upgrade and modernize our physical infrastructure, and...(provide) efficient government...”

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He went on to say:

“Improving the availability and the quality of the education system are keys to the development of an innovative and efficient labour force and enhancing the...well-being of our citizens.”

So we are aware of what is needed for the building of our new economy.

We are spending huge sums of money on education and for this budget it has reached \$7.6 billion. Further, the Minister of Science, Technology and Tertiary Education in the other House was loud in his praise for the dramatic increase in the number of those who are now undergoing tertiary level education and training and he credits this to the GATE Programme, the creation of UTT, the expansion of UWI and, of course, the further development of COSTAATT.

In that debate last week in the Lower House, the Minister had made bold to say that the fees were introduced by the NAR at the end of the '80s, but I was a student at UWI in the '70s and fees had to be to paid at the University of the West Indies in the '70s. The cess came about late in the '80s because of the state of the economy at that time when they needed to increase the amount that they got from students.

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

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

*Question put and agreed to.*

**Sen. M. King:** Thank you, colleagues and thank you, Madam President.

So we do have to commend the Government in its thrust in tertiary education. Again, all of what is happening in tertiary education is deterministic. We cannot assume that lots of tertiary level graduates will automatically develop the economy, even with an investment policy by the Ministry of Trade and Industry. I think if we assume that, we misunderstand the process of economic development, and for those interested there is a very interesting article done by Bo Carlson on Public Policy as a Form of Design. It goes into the details of what needs to be done other than producing tertiary level graduates.

If we look at us today in our situation, we are among the largest exporters of tertiary level personnel in the region. Our graduates cannot get jobs that fit their qualifications so many of them are being exported. The kind of high productive jobs that they need do not exist, but they will come around if we really restructure

the economy. So we need to look at developing the economy in a way which will allow us to create the experimentally organized economy in which risks have to be taken and risks have to be managed as to what should be done and should not be done.

What we appear to be doing—and the Minister of Trade and Industry has discussed this in the investment policy where he has chosen seven sectors, and that is determining beforehand what those sectors would be, whereas if you were following an experimentally organized economy, you would have been developing a particular kind of fourth level person, people involved in research and development, so that you would get the restructuring, the new kinds of products and services, new innovation, new entrepreneurs and, therefore, you would have been creating the highly productive jobs that people need and people would then remain in your country. So we should be selecting specific areas in which we have natural advantage and very general areas of interest to the global market. Some of these are energy efficiency, information technology, ICT support, telecommunications, biotechnology, bioengineering, and the like.

I have recently read a “Government At Your Service” budget document where we have talked about a foresighting exercise which had been initiated by NIHERST some four years ago. What such an exercise has to do is to select general areas that exhibit natural advantage. That is what should have been done, but that is not what the foresighting exercise here has done. The present foresighting exercise has not met these objectives to date and will be of little use without having in place the innovation diamond that we have been talking about for a long time. We need the support for the new research; the new products and services.

I think we have said before in this House that it is up to the Government to be the venture capitalist of last resort. It is more productive to use part of our Heritage Stabilisation Fund in economic development than use all of our dividend earnings in a restricted, wealth-driven economy.

So the risk is that the detailed sectors which will be chosen in the environmentally innovative economy will become centres of excellence to eventually replace the oil sector. These are unknown upfront, but they come out of the foresighting exercise. So the process has to be managed to accept some failure and we have been told that again and again by Sen. Danny Montano in this Senate, that Nedco should take a little more risk because you need to develop these kinds of industries.

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He is aware that there will be certain failures, but this is all part of the development experience and in so doing, will improve the probability of high level input/output and the creation of the innovative small and medium-sized enterprises.

**12.45 p.m.**

**Madam President:** You have 10 minutes.

**Sen. M. King:** In my last few minutes, I will turn to the macroeconomics in the budget. The proposed expenditure given the Budget Speech, is \$42 billion out of a total of \$55 billion because when you look at the spending on education, training, national security, health and so on, the PSIP, and what is being spent by the state enterprises as well as the PSIP and the Infrastructure Development Fund, we have a total of \$55 billion for this year's budget. That is a very, very large sum of money.

In the PSIP document we are stating that we will be developing innovative people; nurturing a careful society; governing effectively; enabling competitive business and investing in infrastructure and the environment. For my purpose today, I will focus on those aspects of innovation; competitive business infrastructure and the environment, as these all apply to the reconstruction of our new economy and how these could provide the system for so doing.

If we look at the investment under "Innovation", it refers to the school system including tertiary education; craft and low-level skills training; a grant to NIHERST for staging demonstrative activities in science and technology; culture, including the steelband initiative. As a matter of fact, in a recent discussion, I do not know if it was Saturday or Sunday, I heard the hon. Minister of Education discussing on the radio—I think that it was her speech at the Convention or in the Lower House, I am not sure—that this Government is about creating innovative people, implying that the work being done by the steelband group at UWI was such an example. I want to put into the record that I am very aware of that project. I must confess that I indeed congratulated the Prime Minister for recognizing that it is his job and the Cabinet's job to put seed money into venture capital and the creation of these centres of excellence as the G-Pan Acoustic Research Centre is, at UWI.

Further, I wish to inform the Senate that Prof. Copeland and Prof. King led by me, are the originators of the preliminary economic ideas behind the subsequent creation of the concept of the innovation diamond. [*Desk thumping*] The G-Pan Centre of Excellence is one example point in that innovation diamond. If the

Minister is so enthused about this innovation in pan, I must remind her—not of the patent still to be granted, hopefully, they will be granted—of a patent that has already been awarded to Mr. Ronald Defour’s group at UWI, another budding centre of excellence in “Energy Efficiency”.

I am sure that you will recall my vain plea last year in this Senate for support, which has not yet come forth, for the worldwide registration of that patent for that project. If the serendipity of the steelpan innovation has opened the eyes of this Government to the need for the wider innovation system, then what Prof. Copeland’s team has done will redound to the benefit of this country in the creation of the required innovation system.

**Madam President:** You have five minutes.

**Sen. M. King:** Thank you, Madam President.

If we are serious, I think that we have to look at spending towards reconstruction rather than spending without reconstruction. I am sure that the records will show over the years that we have diagnosed and, I particularly have diagnosed, that this economy is in the throes of the Dutch disease. We have a large inflow of natural resource income in foreign exchange, most of which is changed into TT dollars and spent. I am on record as having called this “profligate spending.” It is driving inflation which is being kept under control only by the Central Bank’s activities; its diligent action in taking the money out of the economy as fast as it is spent. Remember when we do that it is an additional cost to us; you pay interest when you take out that money.

I have often been asked: What do you expect this Government to stop spending money on? What should our Government cut back on? If we agree with the system as it is under the Dutch disease, one would be hardpressed to suggest where the spending should be cut, since our economic model is about production of tradeable goods by the energy sector and the spending of these proceeds from the energy sector driven by Government’s high level on non-tradeable goods and services. The spending and liquidity are high. In order to preserve the exchange rate and meet the demands for foreign exchange, the Central Bank sold a massive \$2 billion which I said earlier, into the local market in 2006/2007 which was up from \$700 million four years ago. That is how we have spent money just to control liquidity. Where did the liquidity come from? Answer over there! Such foreign exchange sales also reduce liquidity in the local market and it has been recommended by the IMF.

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You will recall that on calculations we have received US \$2.6 billion in taxes from energy. This means that the Central Bank is putting more emphasis on exchange rate maintenance; liquidity absorption and inflation control than it is on savings towards the wealth of the economy. An argument is taking place in the country as to whether we should ignore the energy sector and reconstruct the onshore because a resource-based economy is more of a curse than a blessing. That debate is trite. The energy sector is indeed a blessing and we have to optimize its use for the rest of its life. What is the curse is that our Government has a tiger by its tail. I do not mean that we are a Caribbean tiger. Our onshore economy is virtually non-productive. As our GDP grows there is a demand for the Government to spend more and more which creates the increasing demand to spend foreign exchange. The curse is not our natural resources but the kind of non-productive onshore economy that our Government has facilitated.

Our much touted international financial sector is an area that again utilizes our US earnings. If we do not have the energy sector, where will they have the funds to play with without the energy sector, unless it becomes an international financial broker which it is not doing? That sector that they are trying to develop will be null and void, without proper earnings, unless they become an international broker.

In closing, there is no hope for change if our Government does not turn away from its way of spending unproductively, the proceeds from the exploitation of the energy sector. We are yet to begin the process of sustainable development. There must be initiatives to build a productive non-oil sector; building of an innovative economy. Perhaps, just as we did with justice and crime commissions we now need an economic development commission of local experts and committed persons to support the building of this economy.

Thank you.

**Madam President:** Hon. Senators, we will suspend for lunch and return at 2.00 p.m.

**1.55 p.m.:** *Sitting suspended.*

**2.00 p.m.:** *Sitting resumed.*

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam President, it was not my intention to be here today with these hon. Senators on the Back Bench. I thought that it was necessary to come to deal with some of the statements made by Sen. Mark which are false.



**Sen. Mark:** As usual.

**Hon. C. Imbert:** Let me deal with the false statements made by Sen. Mark. An audit is necessary on Sen. Mark's logic.

Let me go to a statement made by Sen. Mark between 11.30—11.45 a.m. today.

**“Sen. W. Mark:** A contract was awarded to Vinci Construction to build this Interchange at a cost of TT \$321 million plus VAT; 35 per cent of this sum, we understand is to be paid in euros... After the award of the contract, NIDCO agreed quite deliberately—probably acting on instructions from high—to use an exchange rate of euro \$1 to \$7.60 in terms of exchange rate. So, the foreign exchange component, which was the buying rate as the base, as established in the tender documents...The net effect is at today's exchange rate, the citizens of this country have already lost approximately \$18 million and this contract for 18 months, and we understand it might go over. This arrangement by NIDCO has cost us to lose \$18 million. The Minister of Works and Transport must clear the air on this transaction immediately and make the terms and conditions of the entire contract public. We want to know who took that decision...So, they are going to go home, not with \$321 million but maybe \$390 million.”

Totally, irrevocably, undeniably false.

**Sen. Mark:** Bring the terms and conditions.

**Hon. C. Imbert:** I have brought the information. It did not take very long. I got on the phone with the project engineers of Cansult—a very reputable firm of international engineers out of Canada—who have been working in this country since 1996, when they were hired by the UNC administration. *[Interruption]*

**Madam President:** Just give me a chance, please. Sen. Mark, you had one hour to state everything. I listened to you carefully. I would like to listen to the Minister now without interruption. Continue, please.

**Hon. C. Imbert:** Madam President, I understand. He is embarrassed.

As I said, the firm of Cansult was hired by the UNC. I spoke to the project engineer and asked him to give me the information in terms of variations on Package B of the Interchange Project at the UBHCRH. The true facts—not the falsehood uttered by Sen. Mark—are as follows: The original contract sum is \$321 million VAT exclusive; projected savings on excavation and backfill, \$20 million; structural steel, \$9 million; drainage works, \$3 million; sub total savings

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\$32 million. These are the projected increases: in piling, \$3 million; concrete, \$2 million; steel reinforcement, \$10 million; walls, \$2 million; embankment, \$2 million, and increase because of an exchange rate condition in the contract, \$3 million, for a sub total of \$22 million, making the net savings on the contract \$10 million. The net forecast contract sum is now \$311 million, \$10 million lower than the original contract sum.

Sen. Mark said that we have already lost approximately \$18 million. I cannot use unparliamentary words. I wish I could. That is the only way I could describe the way Sen. Mark behaves in the Senate. He comes to the Senate week after week uttering falsehoods.

**2.05 p.m.**

For the record, the contract sum is now \$10 million lower than it was when the contract began and that is because of the prudent management of the consultants and the Ministry of Works and Transport. That deals with that.

Let us move on now to the Rapid Rail Project. *[Interruption]* I have spoken, Madam President.

**Madam President:** I am really getting fed up of this whole thing here today. Sen. Mark, I am not going to ask you again to stop. You are disturbing the entire Senate. The Minister is replying to what you said.

**Sen. Mark:** But he has not replied.

**Madam President:** That might be your opinion, but I am listening and the other Senators are listening.

**Hon. C. Imbert:** So this allegation about an \$18 million cost overrun is totally false.

Now let us move on to the Rapid Rail Project. On Friday, I had a press conference on the project and I shared with the media a number of documents; all in the interest of transparency and full disclosure. The documents included the certificates regarding ineligible contractors; the certification regarding convictions or judgments; other ineligibility and so on from Bouygues Travaux Publics, I gave to the media.

I gave copies of the certificate submitted by Alstom Transport S.A. dated August 10, 2006 and copies of the form regarding ineligibility, filled out by RATP Development, again filled out in 2006. I also gave the media the similar forms filled out by the Vinci Group. Let me explain what this is. There were two final bidders for

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the Rapid Rail Project. One was the Trinitrain Group, headed by a firm called Bouygues Travaux Publics and the other the T3 Group headed by a group called Vinci Construction Grand Projects. I gave the media all the forms filled out by these companies where they stated that they have not, within a five-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offence in connection with obtaining or attempting to obtain, performing a public transaction or contract under a public transaction; theft, fraud, bribery, et cetera.

These are the forms that each leading member of each consortium had to fill out and submit as part of their tender. I circulated that to the media. That is not Sen. Mark's information. I put it in the public domain.

Secondly, I submitted to the media, on Friday, two articles, both from the *International Herald Tribune*. This article is headlined, "Vinci and 14 other fined for collusion on contracts". It is dated March 23, 2006, *International Herald Tribune*. It went on to give the details of a number of contractors in Europe who had been fined for collusion.

I also circulated that to the press—Sen. Mark did not dig up any of this. I gave it to the media. He came into this Senate pretending. I also circulated to the press, all in the interest of transparency, another article from the *International Herald Tribune*, Wednesday, January 24, 2007, as follows:

"Ten leading European and Japanese companies were fined a total of more than 750 Euros by European Union regulators for running a cartel to fix prices for heavy equipment used by power utilities."

That included companies such as Siemens, Mitsubishi and others. All of this I circulated on Friday. I want to repeat to show the dishonesty of the members of the UNC.

In the contribution of the Leader of the Opposition in the other place on August 24, she made the statement that she had in her possession a number of articles from newspapers alleging that Bouygues was guilty of corruption. I am reading from *Hansard*:

"On March 23, 2006 Bouygues and 14 other French companies were fined a total of £48 million."

She said that this was stated as a headline in the *International Herald Tribune*. This is the *International Herald Tribune*. The headline is not Bouygues, but "Vinci and 14

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others” fined for collusion on contracts. It is interesting how deceitful members of the UNC can be. It is very interesting that the company that has been deemed to be the preferred contractor is now bad.

**Sen. Dr. Saith:** Madam President, I appeal. Sen. Mark waved papers; made all sorts of allegations. The Minister is here to answer them. Would he allow the Minister to answer them?

**Sen. Mark:** He is misleading us.

**Sen. Dr. Saith:** You did not mislead.

**Sen. Mark:** No.

**Hon C. Imbert:** If, as I said in the other place, the UNC wants to “bus” a mark, “bus” a whole mark; not a half mark, a quarter mark or a Wade Mark. [*Laughter*] It is important that this Senate understands what is going on.

After the Government of Trinidad and Tobago, through the National Infrastructure Development Company went through a process of soliciting expressions of interest, inviting consortiums to prequalify, inviting proposals for the Rapid Rail Project, it was eventually whittled down from an initial number of companies of maybe 120 expressing interest, when we started in January 2006, 18 months ago. As they pre-qualified, it boiled down to about 30 and when proposals came in, the companies then coalesced into consortiums, and six bid.

Of the six, one was immediately disqualified—the Siemens Group, who had submitted a tender one or two days late. They lobbied the Government and asked us to vary our tender rules to allow their late tender to be accepted. We said no and that was when the confusion began.

We then whittled down from five to three. Two failed the requirements when a detailed examination was made of their submissions. They had not filled out certain parts of the forms; other parts were incomplete; they were not compliant; so Mitsubishi and another company went out.

The reason I am being very careful about the names is that in this article from the *International Herald Tribune* in 2007, the first company fined for collusion is Siemens; second is Mitsubishi. So in the six bids, Siemens went out first because they were late. They lobbied us; we refused because that would have been a violation of best practice. Mitsubishi went out because they did not fill out the documents properly; they left out all sorts of things. Another company came; it

did not have adequate financial backing, they went out. We were down to three and of the three, one failed in terms of track record, technical capability and financial viability, boiling down to two, one led by Bouygues and the other by Vinci.

I am intrigued by the Senators opposite, including Sen. Mark. I have been in this Parliament already when Sen. Mark made a “to do” about a company called Bombardier. He demanded that they be disqualified from the project and that Vinci, which had Bombardier as one of its leading members be thrown out on the grounds that the Bombardier company had facilitated a test ride on one of their aircraft for the hon. Prime Minister.

He shouted and screamed inside and outside this Parliament, as did his colleagues, that the Vinci Group should be disqualified. We did a forensic examination and discovered, based on the advice we had received—we sought advice from Queen’s Counsel in the United Kingdom—that there was no basis to disqualify the Vinci Consortium because the company involved had no relationship with the company bidding on the rapid rail. Bombardier had not done anything that could possibly be determined to be a breach of the tender, so we kept them in.

It is shameful that now that we have picked the other and not Vinci—you can imagine what would have happened if we had picked the Vinci Group—they would have screamed for anybody who would hear that that was the Bombardier Group. They are so upset that the other one has been deemed to be giving the best value, so now they are attacking the other one. If we had followed their advice and disqualified Vinci, then the other one would have got the contract automatically.

I find it deceitful for a member of the UNC to go into the other place and say that there is an article in the *International Herald Tribune* that says that Bouygues and 14 others were fined when it really says Vinci and 14 others. Who are you working for? I would like to know.

The other point I made on Friday—

**Sen. Mark:** May I ask on a matter of clarification—will he give way? He came to clarify, but he is not clarifying.

**Hon. C. Imbert:** No. Madam President, one of points that I was very careful to make in the press conference on Friday—and I can announce now that the Government intends to lay in this Parliament a summary of exactly what took place in terms of the evaluation of tenders for this contract so that everything will be available for public scrutiny.

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One of the points that I was careful to make—and I want Sen. Mark to produce the evidence that this company, Alstom Transport, is in any way implicated in any of the documents that he has. *[Interruption]* *[Sen. Mark waves a document]*

**Madam President:** Will both of you *[Interruption]* Sen Mark! You will send it to the Minister later or give it to the Clerk now! *[Sen. Mark hands document to Clerk]*

**Hon. C. Imbert:** It is like the UNC and the UNC Alliance. You have to go to the Elections and Boundaries Commission to get a name change.

**2.20 p.m.**

Madam President, when you read the documentation, you are going to see that there is a plethora of companies that have Alstom in their names. The company that I am calling—

**Madam President:** Would the Senators on this Bench please be quiet? Sen. Dr. Gopeesingh, it includes you. too. *[Interruption]* Please, continue, Minister. You all will have a chance to talk.

**Hon. C. Imbert:** Madam President, the company that has filled out the certification is a company called Alstom Transport, 3 Avenue Andre' Malraux, 92300, Levallois-Perret, Paris France. I want Sen. Mark to tell this Senate if that is the company he has information on. I am sure he does not.

**Sen. Mark:** Bouygues.

**Hon. C. Imbert:** Madam President, Bouygues has about 23 different subsidiaries.

**Sen. Mark:** Alstom boy!

**Hon. C. Imbert:** Alstom has about 25. Hon. Senator, this is a rhetorical request, because I am not giving way. I want him to produce the evidence. The other point I wish to make—I know it is not that. Madam President, the Attorney General has now passed the document to me and there is no reference whatsoever to Alstom Transport. That should have been obvious. Listen to this! Commission fines members of Gas Insulated Switchgear cartel. What part of Switchgear is transport? What? Are they carrying the breaker from here to there? *[Interruption]* This is all about public utilities; this is all about electricity. Madam President, I will educate Sen. Mark. *[Interruption]*

**Madam President:** If I have to say Sen. Mark once more, it will be to ask him to leave the Chamber. All right! *[Interruption]* Sen. Mark, do not tell me what to do. Minister, please continue.

**Hon. C. Imbert:** Madam President, thank you. Clearly, Sen. Mark needs remedial education in English. Let me read from the document that he has circulated. Gas Insulated Switchgear (GIS) is heavy electrical equipment used to control energy flows in electricity grids—let me talk to Sen. Basharat Ali. I think he, of all people will understand—and is the major component of turnkey power substations. Substations are auxiliary power stations where electrical current is converted from high to low voltage or the reverse.

Madam President, I know you are not a professional engineer, but I am sure that you and everybody else in this Senate will understand that there is a big difference between heavy electrical equipment and transportation. You see, that is what they are doing. They are deliberately mixing and matching, cutting and pasting, confusing names and calling the wrong company. They know that it is not the same company, but they are calling the name just to throw up a cloud of smoke and mirrors.

If we go into the specific allegations made by the hon. Members, the Leader of the Opposition said that three members of NIDCO had been paid inducements to change the evaluation rankings. Then, the hon. Leader of the Opposition came back and said, no, it is a top PNM-mite official who was paid an inducement. I call upon the UNC; I call upon Sen. Mark to call the name. *[Interruption]*

I read a statement in today's newspaper where the Leader of the Opposition was alleging—this is in the *Newsday*:

“Persad Bissessar said the NIDCO board should conduct a proper investigation. UNC had found a paper trail leading to bank accounts.”

You know, I cannot use unparliamentary language. I cannot. It is frustrating. I wish I could. The UNC has found a paper trail leading to bank accounts! The only paper trail I know about leading to bank accounts is the paper trail from the airport into Galbaransingh's and Ferguson's bank accounts; into Birk Hillman bank account; and into Gutierrez' bank account. That is the paper trail that I know. *[Interruption]* I am not going there. That is before the courts. The only paper trail leading from projects to bank accounts that I know about in the public domain is the paper trail uncovered by Lindquist—the shed of shame at Piarco which went straight into the bank accounts of leading members of the UNC. That is the only bank account that I know about.

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Madam President, I am calling on the UNC, again, where is this paper trail? Whose bank account is it? How did they get this bribe? Where did they get this bribe? What are the names of the persons involved? How did they tamper with the evaluation? If they cannot do that, you know, I cannot use unparliamentary language. I cannot use it.

The point is that on this Rapid Rail Project—I want to repeat for this Senate—that the process that was established involved a Cabinet-appointed ministerial committee headed by the Minister of Public Administration and Information and Minister of Energy and Energy Industries, including the Attorney General, the Minister of National Security, the Minister in the Ministry of Finance, Sen. The Hon. C. Enill and myself, supported by a technical team headed by Mr. Jerry Hospedales of the Divestment Secretariat with the Permanent Secretary of Finance on that committee, the Permanent Secretary in the Ministry of Works and Transport on the committee and other officials from the Attorney General's Office, senior lawyers from the Attorney General's Office, other officials from the Ministry of Finance, personnel of NIDCO supported by the London-based firm of White & Case and the Canadian Engineering firm of Marshall Macklin Monaghan (MMM) of Canada and 15 international experts in railway projects, in addition to all of that. Almost 50 persons were involved in the evaluation.

The Ministers had nothing to do with this whatsoever. We distanced ourselves from the process, and we allowed the technocrats to do the evaluation. Mr. Hospedales was put to chair the evaluation team, supported by the lawyers out of England and the engineers out of Canada.

Madam President, in that process, it is virtually impossible for anybody to have received an inducement to tamper with the evaluation. It is virtually impossible. That is why I call on the—instead of making these scurrilous allegations; instead of throwing mud when you have no evidence—Members opposite to produce the evidence; tell me the names of the persons; tell me how they got bribed and how they were able to hoodwink, Sen. The Hon. Dr. Lenny Saith, Sen. The Hon. John Jeremie, Sen. The Hon. Martin Joseph, Sen. The Hon. Conrad Enill and myself and everybody else. Explain that to me otherwise keep quiet. [*Desk thumping*]

**Sen. Mark:** We want an investigation.

**Hon. C. Imbert:** You could want what you want. Madam President, let us move on. Now, let us go to the water taxis. [*Interruption*] The allegation made by Sen. Mark was that friends of the chairman of NIDCO were awarded contracts for



brokerage services, vessels, surveys and various other things. I even saw things about somebody who drives the chairman's boat at a cost of \$67,000 a month. [Interruption]

**Sen. Mark:** You are getting confused.

**Hon. C. Imbert:** Madam President, since he said that I am getting confused, let me read what he said.

**Sen. Mark:** Do not misquote me.

**Hon. C. Imbert:** He said:

“Madam President, another member of the committee and a close friend of the chairman drives the chairman's personal boat. He is being paid a fee of \$67,000 per month...just to sit and attend a meeting...He has produced nothing, but he has to be a very good driver; that fellow. Madam President, \$67,000 a month. I have his name, but I will not call it now.”

Garbage! Call his name!

**Sen. Mark:** I have his name here.

**Hon. C. Imbert:** Call his name! Madam President, that is a rhetorical request. You can go outside and call it. [Interruption] The company that has been hired by NIDCO as its shipbroker in order to solicit tenders for vessels and the water taxi project is a company called RS Platou; P-L-A-T-O-U. Anybody over there can do a search on RS Platou which is what I did five minutes before I came in here.

Madam President, RS Platou is an international ship and offshore broking company established in 1936. It serves the shipping and offshore industry worldwide by providing services within chartering, sale, purchase and contracting of ships. They have a head office in Oslo and they have branch offices in Singapore, Houston, Moscow, Lagos, Copenhagen, Cape Town and Rio de Janeiro. Its multinational staff and experts number almost 200 persons.

Madam President, I am advised that RS Platou, if it is not the largest international shipbroker company in the world, it is certainly very close to one of the largest. It has an extensive network of connections with the international marine industry. I am also advised that RS Platou, because of its experience and track record has been able to solicit tenders from almost 300 potential bidders on the water-taxi project. [Interruption] No, it was not. It was done by sole selective.

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Madam President, it is commonplace, when you are hiring consultants to use sole-selective tendering. I want to remind the Member—sorry, he was never a Member and he will never be—Sen. Mark that under their watch they gave a sole-selective tender to Ish Galbaransingh for \$16 million for Cherokee jeeps, because those Cherokee jeeps were the only vehicles that could handle Motorola radios.

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

**Hon. C. Imbert:** It is not wrong. Madam President, if you examine the tender rules of every state enterprise; if you examine CTB tender rules you will find out that once there is good basis, you can do a sole-selective award. I am satisfied, having examined the track record, expertise, the experience record and the reputation of RS Platou—as I said, one of the largest and oldest international ship broking firms in the world—I am satisfied that NIDCO has awarded a contract to RS Platou well within its tender rules. So, that is the end of that. I have already dismissed this nonsense about the boat driver and the \$67,000. Absolute rubbish!

Now, let us see what else we have here. In terms of the certificate of environmental clearance, as a condition of getting a certificate of environmental clearance for the dredging of the approach channel and turning basin for the terminal in San Fernando, the National Infrastructural Development Company was mandated by the EMA to hire a consulting firm and do an oceanographic survey.

They hired the firm of Environmental Resources, which I am told is a well-known company that has been in the business of doing environmental impact assessments and other work required for EIAs for almost 20 years. I am satisfied that this is a reputable company, and since it was a condition of the certificate of environmental clearance, I am satisfied that it was necessary to hire a reputable survey firm to do an oceanographic survey in order to get the environmental clearance for the dredging, the tunnel and the turning basin for the water-taxi project. And that is the end of that.

**Sen. Mark:** May I seek clarification.

*[Hon. C. Imbert and Sen. Mark on their feet]*

**Madam President:** I cannot have two Members standing. Sen. Mark, you are well aware that if a Member will not give way then you cannot force him and you take your seat.

**Sen. Mark:** Madam President, well, I took my seat.

**Madam President:** A long time after. Please continue.

**Hon. C. Imbert:** Madam President, I am not surprised at all at this. You see, the UNC crashed out of government in 2001, because three of its members walked out—Ramesh Maharaj, Ralph Maraj and Trevor Sudama took the election from the UNC. Three ministers in the Cabinet of the UNC who walked out of the UNC, because they could not handle the “stink” of corruption inside the UNC cabinet!

**2.35 p.m.**

I am so sorry. The smell of corruption inside the UNC cabinet. The pungent odour of corruption inside the UNC cabinet. Three senior UNC—they figure that we are going to forget—ministers walked out and said that they could not handle the corruption in the UNC and the Government crashed. I remember I was sitting on that side and the UNC was piloting legislation—in fact it was the person who is now the Leader of the Opposition—and those three senior UNC ministers who had then walked out and were on the Back Bench voting against the Government, because they could not handle the corruption inside the UNC; they crashed out of Government on corruption, and now having nothing—

**Sen. Mark:** Jail for you! [*Crosstalk*]

**Madam President:** Sen. Mark, I think you should just withdraw that statement, please.

**Sen. Mark:** Withdraw "jail"?

**Madam President:** Yes.

**Sen. Mark:** Okay, I will withdraw "jail".

**Sen. Dr. Saith:** Then withdraw yourself. [*Laughter*] [*Desk thumping*]

**Sen. Mark:** I know you want me to withdraw badly, you know. [*Crosstalk*]

**Madam President:** Continue, Minister.

**Hon. C. Imbert:** About two or three weeks ago, I got an anonymous letter. It was given to me by the Minister of Public Administration and Information and Minister of Energy and Energy Industries, then the Prime Minister gave me his copy, then Dr. Rowley gave me his copy and so on. And this anonymous letter spoke to manipulation—[*Crosstalk*]

[*Madam President pounds gavel*]

**Madam President:** What is all the uproar about? I do not know. [*Crosstalk*] Members, I have no idea what it is about and I have heard other people read anonymous letters here. [*Crosstalk*] Well, let me hear what it is first; I have no idea. [*Crosstalk*]

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*[Madam President pounds gavel]*

Please!

*[Madam President pounds gavel]*

Minister, please continue, let me hear what the letter says.

**Hon. C. Imbert:** Madam President, as I said, I received several copies of an anonymous letter and this anonymous letter alleged that there had been a manipulation of the tendering process in the Rapid Rail Project and in the Water Taxi Project. So, that I had the answers, because it was obvious where it was coming from. It was somebody who wants to attack the Bouygues Group, because when you go through—

**Sen. Mark:** Call names! Call names!

**Madam President:** Sen. Mark!

**Hon. C. Imbert:** On an anonymous letter? How are you going to call names on an anonymous letter? *[Interruption]* I know where it is coming from, Madam President, because when you read it, it is condemning the Bouygues Group. It is saying Bouygues should not get the contract and Vinci should get it instead. It is alleging all sorts of things with Bouygues, and all of this thing about the broker that was hired by NIDCO; that it is Mr. Brash's friend. What a coincidence! I got this three weeks ago, and I immediately sent a copy of it to White & Case in London. I must tell you that they initially thought, why bother, it is rubbish, but I said no, no, no; answer every single point that has been made inside of here, and I called on NIDCO to answer every single point with respect to the tendering process for the Water Taxi Project. So, I have all the answers here, Madam President. That is why I can confidently stand in this Senate and dismiss the false allegations made by the Senator.

Madam President, before I take my seat, I want to make a point. Sen. Mark has a habit of coming into this Senate and making false allegations.

**Sen. Mark:** You are always saying that. I have facts here.

**Hon. C. Imbert:** Facts? F-A-X? Sen. Mark has a habit of coming into this Parliament and making false allegations. I remember responding to him on another occasion—

**Sen. Mark:** On what?

**Hon. C. Imbert:**—where he pretended that he was going to enquire into the inefficiencies in the Ministry of Works and Transport, when in fact what he was actually doing was using parliamentary privilege to make a vitriolic attack on a citizen who has no right of reply in this Parliament. You recall that he had the big song and dance about a particular individual with respect to a technique called thermal bonding.

You know, in the Ministry of Works and Transport we are constantly seeking to improve the way we go about doing business, and within the last year or so, the Highways Division of the Ministry has been—because this is a budget debate so I need to talk a bit about the Ministry of Works and Transport before I take my seat—looking at innovative and modern ways of doing the restoration of pavements; the recycling of asphalt; the repair of potholes and so on. And the technique that Sen. Mark was unable to articulate properly is called “in-place hot surface recycling”, which has been used in North America and Canada for years. It has been proven to be the most economical method of repairing an asphaltic road surfacing. In fact, it is used worldwide; it is an accepted engineering method for asphalt repair.

The potholes are repaired using a piece of machinery called a thermal power patch master. It has a patented luminous wall heating element and what it can do is, repair a pothole in the asphalt in a fraction of the time taken to use conventional methods. A typical pothole, five feet by seven feet, takes 20 minutes to complete using the thermal bonding technique, and it creates a seamless repair with the rest of the asphalt and you may not even be aware when the technique is applied, that there was a pothole there in the first place.

The research done by the Highways Division has indicated that using in-house resources, direct labour; wheel barrow, shovel, rake and all the traditional labour-intensive methods, it has cost the Highways Division \$40 per square foot to patch a pothole using the traditional technique with direct labour. Using the thermal bonding technique, it is now costing us \$18 a square foot to patch a typical pothole.

The Highways Division has advised me that it already saved \$45 million in the last fiscal year using the thermal bonding technique as opposed to the manual process, and to completely debunk the allegations of corruption made by the Senator. In each case, contrary to the false allegations made by Sen. Mark on the Southern Main Road, Orange Field Road, Calcutta Road, Freeport Mission Road, Caparo Valley Brasso Road and so on, tenders were invited from three reputable companies well known in the paving industry. And in each case the winning bid was the lowest bid and that is the company of Paul Topha & Associates. [Crosstalk] [Desk thumping] I will give you—

**Madam President:** Members, I do not care, I am listening to the Minister. Please continue, Minister.

**Hon. C. Imbert:** Yes, Madam President, on the Southern Main Road, Jusamco Pavers bid \$495,000 to repair 1,400 square metres of potholes; Paul Topha & Associates bid \$317,000; on the Caparo Valley Brasso Road, Paul Topha & Associates bid \$341,550; Junior Sammy bid \$637,560; on Munroe Road, Coosal's did not submit a tender; Paul Topha bid \$336,000; Jusamco Pavers bid \$736,000 and so on and so on.

**Sen. Mark:** You believe that?

**Hon. C. Imbert:** Yes, I believe that. These are the actual records of the Highways Division. So, contrary to the false allegations on the character—

**Madam President:** Are you finishing now?

**Hon. C. Imbert:** A few minutes.

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

*Motion made,* That the hon. Minister's speaking time be extended by 15 minutes. [*Sen. Dr. T. Gopeesingh*]

**Sen. Dr. Gopeesingh:** So that he could explain a little more about—

**Madam President:** Please, that is not necessary.

*Question put and agreed to.*

**Hon. C. Imbert:** Thank you, Madam President, I will not be very long.

**Madam President:** If you had less interruptions you might have been finished.

**Hon. C. Imbert:** You are sure right. They just cannot deal with the truth. They do not want the population to be distracted by the true facts. They do not want people to be distracted by the truth. They want their supporters and whoever is foolish enough to listen to them—which is a very small number, I understand, from all the opinion polls that I am seeing, it is now below 10 per cent of the population. But they are not interested in the truth.

Sen. Mark came into this Senate, attacked Mr. Paul Topha without any evidence whatsoever, put false information on the record, and I will be referring this matter—I will ask one of my colleagues in the Cabinet, who is a Member of

this Senate to refer the matter to the Privileges Committee, because you have told untruths. [*Desk thumping*] [*Crosstalk*] Sen. Mark came into this Senate and said that there was no tendering; that it was rigged, that there were no other bids; that it is corruption and so on and so on and so on; completely false and untrue. [*Interruption*] You could say what you want. You could say what you want.

Madam President, I have come into this Senate today, to deal with the tissue of untruths that Sen. Mark has put on to the record; a web of untruths. He did not speak the truth about the Interchange Project. He did not speak the truth about the Rapid Rail Project. He did not speak the truth about the Water Taxi Project and I have now shown that the last time he had a Motion on the adjournment, he did not speak the truth, and I will be asking my colleagues on this side to refer these matters to the Privileges Committee.

I thank you, Madam President.

**The Minister of Labour, Small and Micro Enterprise Development (Sen. The Hon. Danny Montano):** Thank you, Madam President.

**Sen. Mark:** Madam President, I thought we have an order of speaking here? I thought after the Government spoke the Independent—

**Madam President:** This was agreed to. As far as I understand, the Minister asked to come to speak and we were going to follow the order that we had before, which means that the Minister speaks next. [*Desk Thumping*]

**Sen. The Hon. D. Montano:** Thank you again, Madam President. As I begin, I really wanted to deal with Sen. Mark. But having just received a thorough verbal lashing from the Minister of Works and Transport, I feel I will be flogging a dead horse. [*Laughter*] [*Desk thumping*] So, I will start, first of all, by dealing with comments of Sen. King.

I always enjoy the comments of Sen. King in the Senate—[*Desk thumping*]—but her contribution this morning, I think perhaps, was on the edge of the envelope, in my opinion. What the good Senator spoke about effectively was—not in her words, but to paraphrase what she was saying—what are we going to do with our economy when the oil and gas run out? What is the economy going to look like? What is going to be the engine of the economy and how we are going to begin—in her words—the reconstruction process and what is the plan? And that sort of business.

**2.50 p.m.**

Madam President, the entire argument of Sen. King is predicated really on a false premise. All the experts that I have had the privilege of speaking to while I have been in Government, tell me point blank that oil and gas are not going to run out, not within the foreseeable future and not within any foreseeable period within which we can realistically plan for, and therefore, there is no point in going there.

The truth of the matter is, with the way that the world economy is shifting and what is happening globally, it is far more likely that there are completely different factors that will cause a global shift away from oil and gas before the oil and gas of the world, much less in Trinidad and Tobago run out. There are some very serious issues involving the environment that are going to cause the world to move away from petrochemicals as a natural fuel. That is likely to happen and that shift is likely to take place before we run out of oil and gas.

At one point, Sen. King was talking about what we are going to do; how are we going to fuel our own economy; our own electricity plants; and run our own businesses and so on, if we run out of oil and gas. We are never going to see that day. What we are likely to see within, perhaps, the next 20 or 30 years, is a global movement away from the use of petrochemicals, from the carbon and hydrogen-based fuels, into some other form of energy because of the pollution and the level of carbon dioxide that is being produced in the atmosphere and the global warming that is taking place. It is not going to be as a result of running out of oil and gas. But that is still a long way away; that is not really likely to take place, the experts say, much before 2040 or 2050.

Now, that does not mean that we do not have to start at least thinking about it, but this little country of Trinidad and Tobago will have no real part to play in the decisions that are made outside of this country. The whole world will take a decision to go into whatever it is they are going into, whether it is into solar power, or wind power or tidal power or nuclear energy; that is not a decision we will make, that is a decision that the world will make and it will be dependent on the technology that is available at that time. Therefore, it is dependent on a government that is sitting here to plan for the short, the medium, and the long term. Now what does the long term mean to a government for its planning? The long term is 15 years; the short term is within the next five years; the medium term is four to 10 years and beyond that to 15 years. Nobody; nobody on the planet is going to forecast for their economy beyond 15 years.



The kind of inventions and the kind of things that the Senator is talking about at the universities; the kinds of innovations that are necessary to drive the global economy forward, are not likely to take place in a small economy like this. For one simple issue, we only have a population of 1.3 million. Now, that does not mean that we do not have brilliant minds here in Trinidad and Tobago, we certainly do. The problem is how they are able to rub shoulders with others who are at the cutting edge of technology. Unless we encourage the technology to come and invest here, they do not have the opportunity to stay at the cutting edge and that is a limitation that any island economy like ours will face.

It is not peculiar to Trinidad and Tobago, it is a mere fact and what happens is that our scientists do better when they go abroad because when they go abroad the place is larger, more of them are there, there is more funding available and it tends to happen. You may very well find that the next invention in terms of energy actually comes from a Trinidadian, but it probably will not come from Trinidad and Tobago. It is just not likely to happen that way.

The leading edge of investment in technology is taking place in the developed world, it is not taking place in Trinidad and Tobago and that is logical. That does not say anything negative about this country. That is not to say that somehow we are deficient in anyway, shape or form; that is just a fact. That is just a fact of life and we know that. We know that most of the advances in medicine for example, take place in the developed world because we just do not have the scope here to do that. It is the same thing and there is nothing wrong in recognizing that. What this Government has done, this Government has invested in its people to at least be able to get the opportunity to go to university for the first time, to get at least a Bachelor's education and then go outside the country to higher levels of education and, hopefully, come back to develop the economy.

But just to deal with the issue of oil and gas. I just would like to refer Members to the *Business Express* of August 29 and the headline is "*Experts, there is no energy crisis.*" Now, I was very pleased to see this because I have been hearing this for the longest while and I would give you a first-hand example of what happened. A couple months ago, I had the privilege of acting for my colleague, the Minister of Foreign Affairs and the Foreign Minister from Australia was visiting Trinidad and Tobago.

At the time, he was coming here to deal with some of the issues dealing with Cricket World Cup and all that sort of thing and on behalf of the Ministry and the Minister, I hosted a luncheon for the Minister and his entourage. One of the Members of his entourage spoke to me about whether it was advisable for us to

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continue funding tertiary education entirely making it free for all citizens in the country. He said, that they had tried that in Australia and they could not continue funding it, so therefore, they had to put a cess or a fee or something of the sort. He said, what are you going to do when the oil and gas run out? That was his question; he asked, what are you going to do when the oil and gas run out?

Madam President, before I could open my mouth; before I could utter a syllable, the person sitting next to him was a senior executive of one of the largest petrochemical oil companies in the country and his immediate response was, "Oil and gas not going to run out." He just said it straight so; I did not have to say anything.

**Sen. Seetahal SC:** [*Inaudible*]

**Sen. The Hon. D. Montano:** Well, these guys tend to know a lot more than I do and they tend to know a lot more, I think, than all of us sitting in this room. They have information and they know how to interpret it in a way that we do not, and therefore, I can only go on the basis of what experts in the field say. If we are not going to accept the word of the experts, whom should we listen to? The naysayers? Surely we have to listen to the people who are in the business and know what they are talking about. Who else do we listen to?

Now, Madam President, this gentleman, Gregory Maguire, he is an economics lecturer at the University of the West Indies. He spoke at the Chamber breakfast meeting the morning after the budget was delivered by the hon. Prime Minister and he made it very clear—and I do not need to read the article—that the oil and gas are not going to run out in any immediate point in the future. The Scott Ryder report was merely a static photograph of the situation as it is right now.

**Sen. Seetahal SC:** We should [*Inaudible*]

**Sen. The Hon. D. Montano:** With the greatest of respect, that is not all you can depend on because there is much more than that. For instance, there are seismic surveys of a great deal of acreage that is not included in the Scott Ryder report. There are foreign companies coming here to make huge investments, contracting to supply gas they do not have, beyond the so-called lifespan of the fields. Obviously, they feel pretty confident that they can find gas and exploit it within a certain time frame. They are not going to be doing that frivolously or foolishly, the question is risk versus return. It is only a question of risk versus return and the question is, are they going to invest in it now?

I have said before, I spoke last year to a banker who asked, "Why are you going to invest billions and billions of dollars to prove up reserves that you do not need right now. You have a pretty good idea of where it is. The fact of the matter is, nobody in his right mind will do that. That is the point. In the United States, if you do the math, and I have it here, I can show you, the United States has a reserve for oil of 6.3 years but they keep finding more [*Crosstalk*] and that is a goal post that has been moving every year. [*Crosstalk*] It was six and a half years, 10 years ago and it is still six and a half years. What are we talking about?"

We are talking about trying to develop an economy that is here and now and the thing that people forget, what is it exactly that you want the Government to do? You want Government to invest in its own industry? The Government is not in the business of being in business; the Government is in the business of facilitating the investment in the country. One of the best strategic advantages that we have as a nation is oil and gas and people are coming here to invest in oil and gas industries or downstream industries that have all kinds of benefits for the country.

The private sector is investing as and where it feels it should and can invest, and is doing so to the best of its ability. I do not know what else the Government can do to get Neal and Massy—let us call names—McEneaney Alstons, ANSA McAl, whatever they call themselves now, or anybody else to open up any other new manufacturing centre. All of the facilities are there; all of the tax breaks are there; it is all there. It is either you decide to take the risk or you decide not to take the risk; it is all there. The Government has set it all out; the Government is not going to invest in manufacturing operations on its own by itself. To suggest that is just nonsense. It is just sheer absolute nonsense!

Madam President, it really makes no sense to talk about trying to plan for the economy when there is no oil and gas. The only fundamental thing that this Government can realistically do to position the society to be able to counter for when there is no oil and gas, is to have an educated population that can do business for itself on a global platform and that is precisely what we are doing.

I think the budget for education is something like \$7 billion. Tertiary education, at least at the Bachelor's level is now free; we are funding in excess of 20 scholarships at the University of Grenada for doctors and so on. Madam President, what else can the Government do to build our society? The society is built by the people; all the Government can do, is to facilitate the development of

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the society. It is for the people to respond, and if the people who are educated decide to leave, that is their choice. But the Government recognizes its responsibility to the future and is investing in the best asset that we have and that is its people and it is using the oil resources to do precisely that.

**3.05 p.m.**

I do not know what else one should do, because I have not heard any other model described as to what we should be doing. I heard jargon used, but I have heard no other model used as to exactly what we should be doing differently.

Madam President, I will tell you something else. You come from the private sector; any businessman worth his salt knows that if you have a resource, if you have a particular advantage, if you have any kind of competitive advantage, he will tell you point blank that you should exploit it now; you take advantage of it now. The competitive advantage we have now is oil and gas. You do not wait. [*Interruption*]

**Sen. Mark:** That is a comparative advantage, not a competitive. He is confused with the terms.

**Sen. The Hon. D. Montano:** That is precisely what we are doing and it is benefitting the entire country. [*Crosstalk*] You do not leave it in the ground and say, "Well, we are going to wait", because by the time you get there nobody would want it anyway; times have changed; technology has changed and it is no longer relevant. It is just a wasted asset. It was an asset, but it is just useless now. If you do not believe me, look at coal. The world has more reserves of coal than it has of oil and gas, but coal cannot be used because it is so dirty. What should we do? It is a useless asset; it cannot be used; it is too dirty. That is the short argument.

Madam President, let me go back to Sen. Mark, perhaps he has taken a few deep breaths by now and he is ready. Sen. Mark started off talking about the "Manning curse". Certainly I will agree that there is a Manning curse on the UNC. [*Laughter*] That much I could agree with; but to the rest of country he is a blessing, because this is what the Manning administration brought.

Sen. Mark said that we were worse off than we were under the UNC. I started to think, "But Sen. Mark must live in Trinidad and Tobago; unless he flies in here every Tuesday and flies back out on a Wednesday morning", or something of the sort. If he is living here, then clearly he is not looking around; he does not understand, he does not see or he cannot read. What exactly is going on?

Unemployment levels have reached record lows. The persons who are unemployed will find it difficult to find employment in any environment, and the Government recognizes that and has programmes in place to do something about it. Somehow that is a curse? So all the thousands of workers who were previously unemployed, destitute, without hope, without any opportunity, that are now driving cars and owning houses, somehow they are worse off? You have to explain that to me, because that makes no sense.

The statement by Sen. Mark makes absolutely no sense. If you look around at the number of motor cars on the roads, you know that it is a sign of affluence. It is a sign that people are able to purchase cars that previously they could not afford.

**Sen. Seetahal SC:** Traffic jams!

**Sen. The Hon. D. Montano:** In some ways it may be a bad thing, because the roads are clogging up, but the fact of the matter is, to the man who buys a car for the first time and has an opportunity to own a car for the first time, it is a blessing to him and he is happy with it.

Madam President, you talk about housing. We have generated 26,000 new houses since we came into government. Let me just remind you. We said that we were going to build 10,000 units a year; that was supposed to be 8,000 by the Government and 2,000 by the private sector. We expect that the private sector in the ordinary scheme of things would supply about 2,000 units a year. I do not know how much they are actually doing, but the Government has reached the point of supplying 8,000 units per year.

When I left there was a backlog; a demand at the Housing Development Company (HDC) of about 70,000 applications for housing. We will have supplied 26,000 by now. I am very confident that the Manning administration will be in Government for the next five years. They will generate another 40,000, with another 22,000 serviced lots coming into the marketplace for low cost housing next year. So over the next five years, at least 62,000 houses and serviced lots will come into the marketplace.

By that point we will have done it; we will have succeeded. We will have supplied the entire backlog of housing in the country. [*Desk thumping*] Within the next five years, anybody who wants a house will be able to have a house available to him or her. Furthermore, all you have to do is earn about two and a half thousand dollars a month and you can afford to buy your own house. [*Interruption*]

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You can buy your own house with an income of two and a half thousand dollars. Not only that, but the household income is taken into account; it is not just the single owner's income that is taken into account, it is the household income that is added up. Once you cross that threshold you can buy a house. Not only that, if you are a pensioner and you are 65, 75 or 80 years old, and you buy a house, you can get a 25-year mortgage and the entire house with the mortgage can pass on to your children, with the mortgage attached to it. And somehow people are worse off?

He is not living here. "He cyar be living here and say dat." Of course it is a curse; we must be a curse on the UNC. Can you imagine what it would be like to be a Member of the Opposition with the weight of that success pressing down on the backs of their necks? I remember being in Opposition. If I was there, I would be so embarrassed I would want to hide. *[Interruption]*

**Sen. Mark:** "Doh worry boy, you are going to sail on the yacht down the island."

**Sen. The Hon. D. Montano:** To come here, I would be so embarrassed. They had no housing policy. One of the most fundamental needs of human beings is food and shelter, and the UNC had no housing policy. *[Crosstalk]* They had no agricultural policy either. Agriculture declined under the PNM, but we have done well with housing. We have succeeded with housing.

**Sen. King:** Yes, yes.

**Sen. The Hon. D. Montano:** And he said that we were worse off?

Notwithstanding anything else, free education, free health care and free tertiary education enfranchises every citizen in this country, no matter where he or she comes from. *[Desk thumping]* No matter where you come from or what you look like, you are entitled to a piece of the pie. That is what this Government stands for. And somehow people are worse off? You have to explain that.

When we came into government in 2002 there were about 8,000 students at the University of the West Indies, St. Augustine Campus. There are now about 15,000 students at this campus alone. We have virtually doubled it. So seven and a half thousand students every year are better off now than they were under the UNC and somehow people are worse off? The phrase just departs from reality.

Let me just show you what is happening to this economy. One of the measures of the success of any economy is the level of consumer spending. When people have money to spend, they spend it. It is a fact of life; they spend it. That is what it is for. They save some, but they spend also. *[Crosstalk]*

**Sen. King:** You invest too!

**Sen. The Hon. D. Montano:** A very good indicator of consumer spending is the expenditure on the distribution trade and restaurants. If you look at Appendix 3 in this Review of the Economy, the GDP at market prices by sector, you can see where the consumer spending is. [*Crosstalk*] Consumer spending 2003, distribution and restaurants, \$9.9 billion; consumer spending in 2007, \$19.1 billion; people have money to spend. [*Crosstalk*]

If you look at the banking, insurance and real estate sector—[*Interruption*]

**Madam President:** I cannot hear what is being said.

**Sen. The Hon. D. Montano:** If you look at the banking, insurance and real estate sector, that is an example, an indicator of the purchasing power of the population. The GDP in that sector went from \$9.1 billion to \$15.2 billion; massive growth.

As a percentage, the distribution and restaurants was 20.3 per cent and the banking, insurance and real estate was 12.4 per cent; just in the one year; between last year and this year. But between 2003 and now is more than 100 per cent. It is a huge level of increase. When you look at that, you know that people are doing better.

Sen. Mark went on to talk about statistics from the World Bank. He started to talk about the Corruption Index and all sorts of other things. Sen. Mark has a very short memory. He needs to know that insofar as any Corruption Index is concerned, the only index that matters is your index finger and the people showed that index in 2002. [*Desk thumping*] They showed it in 2001 and again in 2002; no other index matters. [*Laughter*] [*Crosstalk*]

**Sen. Mark:** I said there were six indicators; not index!

**Sen. The Hon. D. Montano:** The only index that matters is the index finger, and he is going to get it again, [*Crosstalk*] very, very, very soon. [*Laughter*]

**Sen. Mark:** A Tommy Joseph! [*Crosstalk*] “You preparing to exit.”

**Sen. The Hon. D. Montano:** Let me talk a little about my own Ministry for the remaining time that I have. I know he is happy. [*Desk thumping*] [*Crosstalk*] Let me talk a little about OSHA, because it is a topical issue, it is interesting.

The new OSHA that came into force in February 2006 brought protection, safety and health for the workers in nearly all situations; only domestic workers are excluded. It also brought the introduction of the national occupational safety

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and health structure. The multi stakeholder OSHA Authority Board was established and the enforcement body, the agency, was put in place. This included the increase of the number of inspectors from eight to 32. Their training has started and it is an ongoing process.

With the repeal of the Factory Ordinance on August 17, last month, the agency was officially launched and inspectors were transferred from the Ministry of Labour, Small and Micro Enterprise Development to the agency. The Executive Director, a person with international experience in the field of OSH was assigned since June 2007. He started to build the organization to a professional model with efficient and effective labour inspection, high impact and a good image of practical and non-bureaucratic attitude meeting international standards.

### **3.20 p.m.**

The standard of safety and health at work in this country needs improvement. A safety culture is not strong in workers' minds or in the minds of employers at this time. The number of accidents, including fatal ones, is much higher than should be expected from a country that is undergoing the kind of rapid industrial development that we are. We had nine fatal accidents at work since January 01 this year. This is two to four times higher in comparison to First World established economies, particularly the number of fatal electrocutions which are five. Of the nine, five were electrocuted.

The agencies, the enforcing body of the OSH Act and the inspectors are dispensing new and stronger powers than before. This does not mean the inspectors are behaving like policemen. The main objective of the agency is to bring employers and employees to compliance with their legal obligations. However, the legislation is already in effect for more than one year and full compliance will take time. I am fully aware of that and the agency is as well.

Employers who are willing to comply will therefore, in the first instance, be supported by information and guidance from inspectors and there are plans in the future for more instruments and guiding material to be developed. Unwilling employers and circumstances where situations of serious imminent danger exist, stronger enforcement instruments must and will be used, for the agency is an organization with teeth and will be used when necessary. At this moment, seven matters are being considered for legal action.

The inspectors of the agency have to use stronger enforcement instruments including prosecution. The agency is a new organization built upon the former factory inspection unit and, of course, shows strong and weak points in its



development. The weaker points have to be developed quickly to meet their high expectations, and advantages can build upon the agency of the expertise of the transferred inspectors who are basically well qualified, motivated and ambitious, but 25 of the 32 are very fresh and are less experienced. This implies that a continuous investment in inspectors is important. It is absolutely necessary to keep the technical qualification and knowledge of inspectors at a high level. Also, permanent training in education in communication, inspection skills, enforcement skills and professional, ethical behaviour are needed.

Improvement of the image and transparency of the plans and results of the inspectorate are needed. Computerization of the inspection work processes, electronic notifications of new industries, accident complaints, and construction activities are needed for the sake of effective work, transparency, and accountability.

As a support for the employers and employees, particularly in the small and micro enterprises, the provision of guiding instruments and information material is necessary. To make it easier and cheaper for employers to comply with the legislation, better communication on legal observations, best practices and lessons are to be learnt from incidents and accidents via an agency website.

Further, the investment in awareness raising of employers/employees and the public is needed. Introducing basic safety culture elements in the education system, not only in vocational education, but primary and secondary schools as well is also critical.

Let me move on to the rest of the ministry. Madam President, the fulfillment of Vision 2020 necessitates the integration of decent work and sustainable socioeconomic growth and development. Our human capital is a key driver for the realization of the goal's division of 2020 as is eccentric to our productivity and competitiveness, our sustainability, our quality of life and our ability to be continuously innovative and creative.

From the perspective of the labour sector, the Government has adopted a multidimensional strategy for the continuous encouragement of a sustainable, productive and stable industrial relations climate in the workplace. In keeping with its focus, the measures implemented by this Government within the labour sector have the overall aim of improving the quality of the work life and environment within a framework that is consistent with internationally accepted labour standards.

The success of these strategies is largely dependent upon the implementation, adherence to, and compliance with the labour standards in the relevant legislation. A major indicator of the success strategies is unemployment. In fiscal year 2005,

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the unemployment rate declined to 8.3 per cent from 9 per cent in the previous fiscal year and to 5.9 per cent for the third quarter for fiscal 2006. As at the end of the fourth quarter 2006, unemployment was recorded at 5 per cent.

The decline in unemployment has been attributed to increases in job opportunities in the construction sector, the community, social and personal services sector, transportation, storage and communication sectors. As of the first quarter, 2007, unemployment was reported at 6.5 per cent when compared with the first quarter to 2006 which was 6.8 per cent; the decline in the rate is consistent with the labour policies as implemented by this Government.

Investments in food security are a potential growth area for small business activity and employment generation and creation. Government's refocus on the agriculture sector facilitates the establishment and creation of innovative industries which would thereby fuel employment creation and allow this country to be on the cutting edge of agri-based industries.

In response to Government's recognition to the potential contribution of small and micro-enterprises (SMEs) to employment creation and poverty reduction and by continuing to operationalize strategies aimed at fulfilling its commitments in this regard, Government in 2002 manifested its recognition with the establishment of the enterprise development division of the ministry and the National Entrepreneurship Development Company (NEDCO).

From September, 2002 to July 2007, NEDCO has distributed loans to approximately 7,600 small and medium-sized businesses. This demonstrates the success of Government's strategy for increasing the pool of entrepreneurs in Trinidad and Tobago thus ensuring its goal of poverty alleviation and unemployment creation as we approach developed nation status.

Madam President, NEDCO through its entrepreneurial training and incubation centres is one of the leading providers of business advisory, research, and planning services, as well as training for this new cadre of business persons. This mechanism will further ensure the viability of the private sector to partner with Government to drive the economy towards sustainable and innovative development.

NEDCO was established in September 2002; as at 2003, the available data on SME contribution to GDP indicates that this sector contributed approximately 27.3 per cent to GDP at current prices. Given Government's recognition, the valuable role that the SMEs play in the developing process, the contribution would have

increased over the period 2003—2007 because of Government's injection of funding and other supportive mechanisms into the sector. Additionally, NEDCO continues to drive the development of the SMEs by examining new business areas which are in keeping with the Government's thrust into the new focus areas.

Continued promotion of opportunities for poverty reduction, employment and wealth creation is reflected through the implementation of the Fair Share Programme which allocates a designated share of 10 per cent of all Government and state enterprises purchasing and capital project spending to qualify the SMEs to encouraging large private contractors to subcontract to small businesses.

The Ministry of Labour, Small and Micro Enterprise Development is in the process of establishing a small business register which is intended to, among other things confer eligibility to tender for contracts under the Fair Share Programme.

Traditionally, small business entities are challenged by their size, quantum of available resources and capacity to take full advantage of available procurement opportunities within the state sector. The Fair Share Programme encourages the participation of small enterprises in productive activities by removing a key constraint to their development namely, the ability to access public sector contracts.

The size and asset value, excluding land and building, are the major determinants of eligibility for the programme. Small business with an asset value of \$250,000—\$1.5 million, business with an asset value of \$50,000—\$250,000 and many micro businesses which value \$50,000 and less are all eligible to participate.

To increase accessibility of the programme, a Fair Share Website is to be launched shortly. This is intended to be a portal for the posting and exchanged information on available procurement opportunities for qualifying SMEs and cooperatives for all stakeholders. These stakeholders include qualifying small and micro enterprises and cooperatives.

Government agencies for example, ministries, state enterprises, statutory authorities, local government bodies and large companies on sub-contracting opportunities—

**Madam President:** Senator, we are not hearing you very well.

**Sen. Ahmed:** He is reading.

**Sen. The Hon. D. Montano:** I can talk louder, or maybe they would like me to pass it around and they can read it. [*Laughter*]

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While the fair share portal is being developed, interested persons make contact and register with NEDCO at the Ministry of Labour, Small and Micro Enterprise Development. The Fair Share Programme will also provide a training support mechanism for eligible SMEs to boost their capacities for production and efficient and effective delivery of goods and services. These training programmes are being designed to equip SMEs with the competencies required to participate competitively in the marketplace.

Training is required in the area such as completion of project documentation, costing, tendering procedures, project management and compliance with all legal and statutory requirements as well as—

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

*Motion made,* That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. Dr. L. Saith*]

*Question put and agreed to.*

**Sen. The Hon. D. Montano:** Training is required in areas such as completion of project documentation, costing, tendering procedures, project management and compliance with all legal and statutory requirements, as well as sensitization on such matters as health, safety, environment and quality standards.

A comprehensive training programme will then be developed and delivered by relevant business development agencies and training providers.

Government's further investment into the development of its human capital is evident through the National Employment Service and its implementation of the One-Stop Career Resource Centres, the OSCRCs which provide a range of services to job seekers inclusive of counselling, preparation for the world of work training, and registration. These service centres are located at Tunapuna, Chaguanas, San Fernando, Siparia, Point Fortin and Tobago and a newly established centre is now being located in Sangre Grande.

For the period January 2006 to June 2007, these centres have collectively contributed to the registration of 4,370 job seekers and the placement of 1,917 persons in employment with approximately 41 per cent of the registrants located in Port of Spain.

**3.35 p.m.**

Over half of these persons—22 per cent—became employed in the January 2006—June 2007 period. Further, a series of consultations with public and private stakeholders have been undertaken to ensure that the service is relevant and applicable. Emphasis continues to be placed on the marketing of the programme nationally to heighten awareness of the invaluable service it offers. No longer will Government be seen as the major employer. The encouragement of a culture of entrepreneurship in Trinidad and Tobago would facilitate a competitive business climate and allow the business sector to become a beacon of regional and global productivity, creativity and innovation. This would lead to members of the population pursuing entrepreneurial pursuits as preferred career paths.

The labour force in Trinidad and Tobago must increase its productivity and competitiveness and the capacity and capabilities of its human resource assets in order to sustain continued economic growth, which we are currently experiencing. However, increased productivity must be accomplished within the framework of decent work and the recognition of the rights of the worker and the promotion of a stable industrial relations climate. Productivity is arguably the key to national and global economic success and higher living standards.

It is imperative to efficiently utilize resources, encourage technological innovation, create linkages in the economy and adopt best practices and cultural changes that improve the competitive advantage of the labour force. For Trinidad and Tobago to increase its global competitiveness a tripartite group of Government, labour and business joined as necessary by other stakeholders, will be established under the aegis of the Ministry of Labour, Small and Micro Enterprise Development. This body will also work with external international agencies, such as the International Labour Organization, to promote awareness and build capacity to facilitate the achievement of heightened levels of productivity. Appropriate marketing campaigns at the national level and a focus on youth will also form part of the programme.

Trinidad and Tobago recognizes the established international labour standards as guidelines for the setting and establishing of minimum standards for labour. In September 2005, the Government took steps towards the promotion of the Decent Work Agenda by endorsing the ILO's core conventions. These conventions provide, among other things, for labour issues, the freedom of association and protection of the right to organize; abolition of force or compulsory labour and elimination of discrimination in employment and the effective elimination of child labour.

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Trinidad and Tobago has endorsed all eight core conventions with the most recent ratification being that of Convention No. 138 on the Minimum Age for Admission to Employment in September 2004. You would remember that in February of this year, 2007, a Bill to amend the Miscellaneous Provisions (Minimum Age for Admission to Employment) Act, declaring 16 years as the minimum age for admission to employment in Trinidad and Tobago, was passed in the Parliament.

Trinidad and Tobago's input into the setting of policy and agenda for the work of the ILO as well as reviewing and assessing the work of the ILO, was further strengthened in June of 2005, when this country was elected to the governing body of the ILO for the triennium 2005—2008 at the 93<sup>rd</sup> session of the ILO conference. Trinidad and Tobago, Barbados and Cuba are the Caribbean countries presently represented on the governing body of the ILO. This country's commitment to our international responsibilities will be further manifested as we are about to host and chair the 15<sup>th</sup> Inter American Conference with Ministers of Labour, from September 11 to 13—next week. This is a significant event, not only because this is the first time such a conference with Ministers of Labour will be held in the Caribbean, but due to the fact that this is integrally linked to the Fifth Summit of the Americas to be hosted here in 2009.

The 15<sup>th</sup> IACML will provide the first opportunity since the Fourth Summit held in 2005 for Ministers of Labour to consider actions in fulfillment of the labour commitments as well as approaches and strategies to make decent work central to social and economic development in the hemisphere. The 15<sup>th</sup> IACML will pave the way for Trinidad and Tobago to help direct this hemispheric forum in which labour ministers and officials from employer and employee organizations address the issues that affect labour in the hemisphere. This process is expected to yield benefits for Trinidad and Tobago, the Caricom region and, indeed, the rest of the hemisphere.

In 2006, approximately 42 per cent of the labour force earned less than \$3,000 a month and 22 per cent earned less than \$2,000 a month. In 2001, 58.5 per cent of the population earned less than \$3,000 a month and 38.5 per cent earned less than \$2,000 a month. While the food index has risen and we understand that the cost of living has increased, the fact of the matter is that while the salaries themselves have improved, the Government has done much to relieve the plight of low income workers in the country. You would remember that two years ago we implemented the conditional cash transfer programme to low income families

as a direct subsidy for food. In addition, since we came into office in 2002, interest rates in the banking sector have fallen, making it less expensive for workers to approach the private sector for loans or to approach any one of the businesses that give consumer-type loans for appliances, and so on. So in that regard, their costs have gone down.

In addition, the Government has, as you know, started on its massive construction programme in housing and the housing, as you know, is heavily subsidized. There is a nominal cost for the land and in almost all of the situations of the estates, the cost of the infrastructure is for free, as well as the cost of construction is subsidized.

**Madam President:** You have five minutes.

**Sen. The Hon. D. Montano:** In addition, the cost of the mortgage financing is subsidized down to 2 per cent. In addition, of course, one of the things that we implemented was free tertiary education, so workers, even at this level—even at the level of \$3,000 a month; and we recognize that it is not a living wage; we recognize that, but to alter that would damage the structure or the fabric of the economy and certainly damage the manufacturing sector and the productive sectors of the private sector economy. Therefore, we cannot interfere with it too much and we must let it run its own course. But Government has directly stepped in to relieve the cost of living for lower income workers so that the purchasing power of those workers is now much greater than it was, even with inflation. A worker earning \$3,000 a month can buy a house. In 2001, there was no house even to be had—vastly different. That house is a significant transfer of wealth from the State to the individual and within 10 years, of course, he can sell it, and it is a huge accumulation of wealth in the hands of persons who otherwise would never have had the opportunity to try to accumulate that kind of wealth.

Madam President, the minimum wage has been increased to \$10 an hour. This was a campaign promise that we made when we came into Government in 2002 and we have kept to the promise. I would just like to say one thing on that; Members must understand the minimum wage is not the Government-approved wage. It does not mean that the Government says that you should pay a worker \$10 an hour. We believe in the concept of decent work and the concept of decent work is a decent wage for a decent amount of labour output. Therefore, it is important that Members understand that the minimum wage is only the absolute floor.

You were giving me a signal to wind up, Madam President—

**Madam President:** Just two minutes more.

**Sen. The Hon. D. Montano:** Okay. Well, I sort of strayed from the text so I think I will just leave it there and thank you very much. [*Desk thumping*]

**Sen. Basharat Ali:** Thank you, Madam President. I am pleased to join this debate, which I think will be the final one on the budget during the Eighth Parliament and I have been honoured to be here on at least—this is my fifth budget contribution although I have not been a substantive Senator for even four years. So I think, first of all, His Excellency who had appointed me and all my colleagues here who have mostly sat and listened to me when I spoke on this particular occasion on the budget.

As usual, I will start with what I know, that is petroleum, or energy as you choose to call it, and looking at the petroleum revenue comparison, my petroleum revenue comparison for years 2006, revised 2007 and 2008, on the bottom line, taking into account income tax, excise tax on petrol, royalty and the share of profits on production-sharing contracts, I have the figures: 2006, actual, which comes from the accounts, \$19,425 million; 2007, revised, which appears in the budget estimates, \$18,756 million and for the 2008 estimate a lower figure which is \$17,144 million.

You can relate them to what the petroleum prices are. In 2006, the actual was \$63 per barrel and natural gas was given as \$3.50 per million BTU. In 2007, as far as I can see, the revised figure would be of the order of US \$62 per barrel and natural gas was the same, \$3.50 and for this year's estimates, the hon. Minister has advised that \$50, in fact, is a basket of crude oil—our own local crude oil priced at \$50, which is \$5 below the West Texas Intermediate price of \$55; natural gas at \$3.55 per million BTUs.

Unfortunately, while we have one side to get to the final figure of the estimate, we have price but we do not have quantities and I would have liked to see somewhere the forecast for crude oil, because there seems to be a downward trend in our crude oil production whilst I can guess that the natural gas is going to be steady. So I was hoping that I would have had that, but nowhere in the documentation that we have been given, have we seen that. But the lower figure there suggests one of two things; either we have lower crude oil production or it may reflect the \$50 oil that we have chosen to use.

Just a small comment: In the budget statement on page 49, they give petroleum taxes figure as \$15,364 billion, but that, in fact, is only the tax. The total is, as I said, \$17.144 billion and that represents 42.5 per cent of the total



revenue of \$40.29 billion. So those are the numbers which I have. The crude oil figures, the best I could do was to go back—and it is given in the *Review of the Economy*, and that is an eight-month figure, October 2006 to May 2007.

**3.50 p.m.**

I have prorated that for a full year. For 2007, the best number that I can come up with for crude oil production is 126,000 barrels a day and natural gas of 3.9 billion cubic feet per day. I hope that when the Minister of Energy and Energy Industries makes his contribution we will get some numbers on those.

One of my concerns has been the Heritage and Stabilisation Fund. I am pleased that notwithstanding what was said not so long ago in the supplementation Bill, the Government intends to transfer to the Heritage and Stabilisation Fund \$3,300 million; \$2,000 million was the forecasted amount plus the surplus revenue expected of \$1.3 billion. That \$3.3 billion will carry us to TT \$14 billion. I would like to know what the anticipated transfer for fiscal 2008 will be. I have one question relating to the Heritage and Stabilisation Fund Act. The formulation or method of calculating the base on which that Act functions is given in section 13(3) of the Act. You calculate from that an 11 year moving average price for oil and gas. Are these numbers that were used for this budget in line with that? Looking at the figure for crude oil, it is fairly close to what I would have thought. I worked out close to \$55 based on West Texas Intermediate crude. I would like to know how this section functions too. That represents the baseline on which you will decide on transfers.

I am pleased to hear the hon. Minister of Finance say that all excess revenue will be transferred to the fund. I ask the Minister to give us an indication of what that number will be for 2008. I expect that with the present crude price being about \$73 per barrel on the West Texas intermediate we may be in the same ballpark as to what we intend to put for this fiscal year of \$3 billion.

The next point I will raise briefly is the Ryder Scott audit. Since August 04, 2007, Ryder Scott has been as popular as Harry Potter. Everybody talks about Ryder Scott. My colleague here talked about Scott Ryder. She was reversing the name. Ryder Scott is not a person but a corporation founded by Messrs Ryder and Scott in the 1930s. I do not think either Mr. Ryder or Mr. Scott will be with us. I would be surprised if they were. That is an introduction to this Ryder Scott audit that everybody is talking about.

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I have one outstanding matter on that. It is not clear whether those proven reserves of 17 trillion cubic foot in that audit are for 1.1.06 or 1.1.07. I have thought as 1.1.07.

**Sen. Dr. Saith:** 07.

**Sen. B. Ali:** Fine. There are so many experts on the Ryder Scott audit. That agrees with what I have here otherwise I could not work out that deficit that we were seeing between proven reserves 17 versus 19 or whatever it is. That solves that little problem.

On the basis of our commitments, we see the reserve to production ratio on the basis of what we are producing and using at the moment. That is where the 12 years come about. Since last year in my contribution in the Senate I made a statement. I said that total reserves are a planning tool. Reserve to production ratio is a guide for planning exploration activities in consonance with plans for development of the use of the resource. We do not need to panic. Proven reserves are the only bankable tool for borrowing. That is where we are. We have to take stock and find more reserves.

The honourable Prime Minister spoke of the 1974 *Ryder Scott Report* that gave a reserve to production of eight years. He did not say that gas usage at that time was primarily for fertilizer manufacture and that was Federation Chemicals, power generation and oil companies own use in production and refining. We were still an oil-based economy. What you call gas was associated gas and some was being flared to maximize oil production in a period of high oil prices. Our development thrust based on gas usage had begun at that time. Fertilizers, steel and methanol had begun.

By the second half of the '70s for the second time we were developing an LNG project with partners Tenneco and People's Gas, two US Companies. It became clear that bankers wanted to see proven reserves for the project. Tenneco, the main partner in the North Coast Marine Area now succeeded by British Gas (BG) led the exploration effort in the north coast acreage and in due course, the required proven reserves of 4.5 trillion cubic feet to support 500 million cubic feet per day for the LNG plant, and to meet domestic gas usage was met. I agree that in earlier times there was always a position that the oil was going to run out. In my particular case in 1953, I was still a teenager when Shell had decided to grant me a scholarship and they told me point blank that it was not advisable for me to pursue petroleum engineering but offered me chemical or mechanical engineering. I became a chemical engineer by default. In the late 60s I was

employed in the refinery of Shell Trinidad. We were designing a revamp to increase the crude capacity to 100,000 barrels a day. Then, it was a probability that Trinmar crude would have run out. Our design had to take into account the processing of Kuwait crude. Forty years later Trinmar production is at the same level as in 1968 when we were doing this work.

I wish to congratulate the hon. Member for Ortoire/Mayaro, Mr. Franklin Khan for his fine technical contribution in the debate in the other place. [*Desk thumping*] His history of the technological developments driving the proving up of petroleum with the stress on knowledge acquisition was commendable. I would dub it, “Natural Gas Reserves 101” or “Reserves For Dummies—A Reference For The Rest Of Us”. I will recommend it to all those who would like to know the history of the development. They can get a copy from *Hansard* to read. I think it was a very good technical contribution by the hon. Member.

One thing I note coming not only from his contribution but also others, is the fact that the larger, lower cost fields have been well exploited and our new reserves could be in smaller reservoirs and more hostile environments. The question is: Will low-cost gas be a thing of the past? If so, we must adjust our thinking in terms of conservation of our resource for the benefit of the upcoming generations. All gas reserve auditors are not the same. From my experience a long time ago, Ryder Scott has been considered by some to provide fairly optimistic estimates. On the other hand there is a company called DeGolyer and Mc Naughton who were very conservative in their reserve studies and were retained primarily by the bankers and conservative companies like Texaco. I was surprised when I tried to find out something about reserves audit that TNK-BP a joint venture in Russia had a reserve audit done and they were very happy with it. The President and CEO, Bob Dudley said:

“This is clearly good news and confirms our previous estimates of TNK-BP’s primary reserves base. DeGolyer and McNaughton is a highly respected independent firm and we value the deliberately conservative approach they have taken in the first company wide audit.”

That is a very telling statement. I will also point out that people talk about proven reserves but there are different kinds of proven reserves. This report of 2004 speaks of SEC based proven reserves and the Society of Petroleum Engineers (SPE) based proven reserves. There are two different figures. The figures of the SEC always come lower than the Society of Petroleum Engineers. The SEC based proven figures were 3.4 billion barrels of oil equivalent against SPE of 6.0. Further

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down when they were talking about SEC basis with its proven developed and undeveloped fields they got 4.3 for SEC and SPE 9.1 for the same line. There is a big difference between what you can put in an SEC report and the SPE. When you are making your reports you have to stick to that otherwise you can get into trouble.

It might be a good idea for Trinidad and Tobago to have a second opinion on the gas reserves. If you engage DeGolyer and McNaughton—they have worked in Trinidad and Tobago in the '70s and '80s. We may want to get a second opinion to fortify what we have with one person doing it for the last 20 years or so.

**4.05 p.m.**

Having said all of that, Madam President, we face the reality of this 12-year production-to-reserves ratio. There has been, by the Government, a reordering of projects as given in the Budget Statement. The new Category A project line-up, as they call it, is as follows:

Methanol Holdings AUM Complex (urea, ammonium, nitrate/melamine)—and I have given some gas figures which are really, some of them, my estimates—I have got the figure of 70 standard cubic feet a day; Alutrint Smelter, at 50; Essar Steel is a big user, 140; World GTL (Trinidad) Limited plant at Pointe-a-Pierre, 22. The one I am not too sure about is methanol/propylene/polypropylene, which I have as 150 million cubic feet a day. I will come back to that in a while. Most of this has been committed except for the methanol to propylene. That number comes up to 432 million cubic feet a day. That is putting an additional amount from our gas reserves.

Having said that these are all the Category A projects, I want to have a look at the projects that have been omitted from the list. Have they been downgraded or omitted? The first one I have is ANSA McAL First UAN Plant, which is destined for Union Estate, for the production of ammonia and UAN 32 solution—(It is a urea/ammonium nitrate.) The natural gas requirement for that complex I have as 70 million cubic feet a day. That was a Category A project and it is no longer there. I have been told that a gas contract was negotiated but not signed by ANSA and its partners.

Secondly, there has been some disagreement as to the site. The original site offered to them apparently is still occupied by squatters. They have been offered another one. That seems to be the reason nothing has happened there. Perhaps the hon. Minister, when he is making his contribution, would enlighten us on that.

Madam President, the other project which has dropped out of the radar is the Westlake ethylene project, which is a project for ethylene manufacture. The parameters have never really been given, but because it was said that that was ethane extracted from non-LNG gas, I had worked it out. I had worked it out to be probably a 600,000 ton-a-year plant with the use of 55 million cubic feet a day of ethane, which was what was extractable from the say, 2 billion cubic feet a day of natural gas, which is called non-LNG gas.

This project was alive in July of last year. I have a statement made in the Lower House on the ethylene complex and a maleic anhydride processing facility by the hon. Minister of Energy and Energy Industries and at that time Acting Prime Minister. I will read some excerpts from it. One paragraph said that:

“The Government has now concluded two agreements, which will, for the first time, generate downstream industries in the second stage processing of petrochemicals in this country.

These developments represent important strategic steps in our efforts to further diversify our nation’s economy. The agreements which I announce today are for the establishment of an ethylene complex and a maleic anhydride processing facility.

The development of an ethylene production facility has been an aspiration in Trinidad and Tobago for some time. On April 18, 2006, Westlake International (Investments) Corporation, a wholly owned subsidiary of Westlake Chemical Corporation, signed a Memorandum of Understanding with a consortium comprising the Government of the Republic of Trinidad and Tobago, the National Gas Company of Trinidad and Tobago and the National Energy Corporation of Trinidad and Tobago.

This MOU established the framework for the project evaluation of the proposal tabled by Westlake for the construction, operation and ownership of an ethane based ethylene/polyethylene plant in Trinidad and Tobago.”

I will go on to read a final paragraph of this. The hon. Minister said:

“Mr. Speaker, ethylene is one of the world's leading chemical products used as raw material in the manufacture of polymers for the fabrication of plastics and fibers for the packaging, transportation and construction industries.

We expect the ethylene complex to trigger the development of a whole new range of downstream manufacturing activity in medium and small enterprises

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for the production of plastic, foam, bags, cups, appliance parts, pipes and related products.”

So, this is a project which apparently has now been dropped. I do not know the reason. I hope we will get some reason for it.

**Sen. Dr. Saith:** Rather than wait until my contribution, which will come on Thursday, the economics of the ethylene project proved that the price at which you have to get ethylene was not available in Trinidad and Tobago. The scale of the plant and the ethylene extraction was taking it beyond economics and therefore that project is not being proceeded with.

However, since that time, we have decided to go to the plastic industry through polypropylene and that is why that project has now moved to category one, which is methanol into polypropylene. That is much larger. While ethylene has been put aside for the moment, given the economics, the plastic industry will now be satisfied by the polypropylene plant. Maleic anhydride is still on the cards. It is a small project.

**Sen. B. Ali:** Thank you, hon. Minister. I have listened to the explanation, but I think the major problem may be technical in that the amount of ethane is doubtful. The other big contributor to that would be the LNG projects. If that is the reason it has been deferred, I presume Westlake has been told and they have accepted. As you say, the maleic anhydride project is going because that is from butane of which there is a large amount, and that MOU is between the South African company and PPGPL, Phoenix Gas Processors Limited. So that is still on the books.

I have a serious problem with the methanol to propylene project. I do not think it is the best use of our natural gas. In that project, the scale I am looking at is the one first proposed, which is a full scale project. There is a different number given in the budget statement of a product output of 160,000 tonnes. I do not think that is right; not at that capital cost of \$9.5 billion.

The original concept, as far as I know, was to build a 5,000 ton-a-day methanol plant, which means that 150 million cubic feet a day of gas. A 500,000 metric ton-a-day methanol plant produces 1.7 million tons a year of methanol, and that was what was going to be converted into propylene and polypropylene and the yield from that is given as 520,000 metric tons per year.

In effect, you are talking 1.7 million tonnes a year of methanol to arrive at 520,000 tonnes of propylene, a yield of about 30 per cent. I do not see how this project can fly when you have methanol prices currently posted at \$319 a ton. I

know we are talking gas, but this project, whenever it is being touted by Lurgi, who are the people who brought it before us, has always been on the basis of stranded gas or remote gas. I have looked at their technological papers on their website and they are always talking about 50 cents per million BTU. That is impossible.

In any case, the opportunity costs for that gas in that instance is methanol production at \$300 plus per ton. I do not know what the polypropylene end is, but I would be hard-pressed to get there. This is not, at such a time when we are really on a crunch for gas, the time to be pushing such a project because it is wasteful of our natural gas. I feel quite strongly on this project at this stage of the game.

**Sen. Dr. Saith:** I have taken note of it and in my contribution I will try to provide more of the numbers that you require. They are changing and the analysis of this project is based on the input of methanol into the plant rather than gas. It is the methanol price that is driving it. I will provide the numbers on Thursday.

**Sen. B. Ali:** That is information I would like to have whether it is methanol to polypropylene or otherwise. Lurgi is interested in two things. They are interested in this mega-methanol project as Atlas. That is the size of methanol plant that they go for. They are the technology providers for that. The other process is really a new one: methanol to propylene or polypropylene is untested at this scale and Lurgi as a technology supplier would be glad to have that scale.

Bassell are the people, but it is a joint venture of Shell and BASF and they are in the business, but they are looking for propylene capacity. I have a report, called *ChExpress*, dated May 01. They have a little snippet on Basell in the US.

“Basell will restart an idled 220,000 ton/year propylene plant in Bayport, Texas, during the second quarter of 2008. The plant has been idled since 2001, but the company says restarting it is a cost effective way to add capacity.”

They are saying that most of the petroleum material is going into cracking for ethane and so the shortage really is for feedstock. In my view, it is an expensive way of going that route, but I await your information on it to confirm the number given in the statement. I did not know where it came; it is a 160,000 tonnes per annum plant. I said maybe it is a down-scaled plant, I do not know. I thank you for taking note of that.

Madam President, the next project listed is the gas-to-liquids project. This is World GTL (Trinidad) Limited, which is a joint venture between Petrotrin, 49 per cent and World GTL Incorporated of USA. World GTL Incorporated appears to be a promoter company. It is not an operating company. It is set up by retirees of

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Shell and Arco, big people in the game. I do not know how the proposal came in but, what I read today in the PSIP disturbed me, that is, that this plant will consist of a methanol plant from Delaware City, a hydrocracker from Texaco refinery in Guatemala and an amine unit from Mexico.

**4.20 p.m.**

Madam President, I think this is foreign-used at a level which we should not be in. I really do not know how we have got to this stage. I have not found anybody who knows which technology they are using. I heard a long time ago that they are using a BP Catalyst, but there are only two well-known technologies in gas-to-liquids and that is the Shell technology and the Sasol technology from South Africa. Shell is well proven because they have put up their plant in Malaysia running at 12,500 barrels a day for quite a few years, and making diesel which is what this plant will make and some wax.

So, is this foreign-used scrap that we have here? Who are the licensors? Who has done the process design? Who has done the process engineering? Who has accredited and confirmed the equipment as being of required standard for these plants? This is an important plant, because it will be in the middle of our Petrotrin refinery or within the battery limit of that. So, we have to make doubly sure that plant is up to standard and has met all the safety requirements and world standards for petrochemical plants.

Madam President, the PSIP gives two different figures for the estimated cost. In one case they give \$860 million which is in Appendix I of the PSIP supplement, and in another case they give \$638 million which is at Appendix II of the same document. I am not too sure which is correct. I have the same problem with another project on that list which I will address.

So, with this particular unit, without any recognized process technology; without any recognized process designer; and with a very airy-fairy kind of process engineering, materials selection work and these elements—when they say methanol plant and hydrocracker, it is just elements from these plants that would be brought here. I would like to know, with all of this, whether we are really sponsoring another experimental plant. I am serious about this, because we did it once. We did it with NUCOR.

I remember we sponsored NUCOR to do an iron carbide plant at Point Lisas and we gave them a special gas price. I think it was as low as 60 cents per million BTU but that failed. It failed not because the technology was not quite right, but because NUCOR did not want to spend the money to scale up the facilities and that is what failed in that particular case.



NUCOR left and they have come back in another incarnation here as Nu-Iron Unlimited, and they seem to have brought old iron unlimited to us with this large mega mod DR unit; 1.5 million tons a year. It is the same as three of the Mittal units next door. I am surprised that they have come here. I really do not know what they are doing here. This plant which they relocated here came from Convent, Louisiana.

What disturbed me a couple of weeks ago was that there was a silo failure on that plant—that silo will normally store direct reduced iron product. A very hazardous product when not handled properly—the hon. Minister of Labour, Small and Micro Enterprise Development who is probably now versed in it and I had a little argument over that. This material is spontaneously flammable. It ignites spontaneously as soon as it sees oxygen.

This is the silo which failed on this plant and, fortunately, this caused a little fire, but nobody was injured and no fatalities. I was very surprised in a statement in the newspaper where the management said that there were no fatalities, no injuries and, therefore, they did not have to report it to the Ministry of Labour, Small and Micro Enterprise Development. That is contrary to the OSHA.

In the OSHA, if an incident occurs which is a potential danger to the public then the people—occupier, owner or whoever it is—is required to report immediately to the Ministry of Labour Inspectorate, so that they will take the necessary steps. In this case, nothing happened. I do not know. I brought this to the attention of one of the OSH Authority members, because it is a matter which I am always concerned about. My friend here used to say that I am passionate about safety, and I still remain passionate about safety.

So, now that the hon. Minister is here, I would ask whether that matter was ever brought up; this silo failure on the Nu-Iron Unlimited Plant. The person whom I spoke to promised to take the matter to the inspectorate, because it is a serious matter. That could easily go off. I remember in one case in another facility across the road that is the same material that burnt a man to death. That is why my concern is always on this matter.

I am pleased that the hon. Minister mentioned that the Factories Ordinance is now repealed and in effect. I was asking my colleague, Sen. Dana Seetahal SC, whether this is an automatic process from this proclamation. When I read it, I did not think it was. I do not think that she felt so either. I would like the hon. Minister to say—you have said that the Act is repealed—if there is a fresh proclamation beyond legal Notice No. 48 which was on that matter. All it says here is that it was expedient that the remaining section 98 be brought into force by

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August 17. You know that date and I know that day. I have heard you say before that it is automatic that will happen. I questioned that, not being a lawyer, and I want to make sure that is so, that the Act has been repealed and we have got some regulations of some kind in place for OSHA.

I would like after that to look at some other projects in Petrotrin which are in the works there. One of them that has been there I think is the Gasoline Optimization Programme. I think that is going quite satisfactorily. It is a very important project for the survival of the refinery, because the refinery cannot sell its gasoline unless it is upgraded, and this project is apparently going to cost \$5.04 billion. That is well on stream, in terms of implementation for 2004—2009 probably.

One new project there, is to upgrade the diesel fraction. So one is gasoline optimization and the other one is the diesel fraction to improve two things to make them virtually free of sulphur—hydrodesulphurization— and to remove the aromatics or to change aromatics and this has a long title; the Hydrodearomatization Process. That, I think, is in the process of development. I think it is a good project, because stuck there in the middle of the refinery you need to have really saleable diesel fuel. I am supportive of this project, because I cut my teeth almost on these processes, and I am very familiar with them. That is the project which is listed at \$709 million or \$945 million. The plant there is 35,000 barrels per day. So, there are little inconsistencies between Appendix I and Appendix II with the PSIP and, perhaps, you could look at that.

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

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

*Question put and agreed to.*

**Sen. B. Ali:** Thank you, Madam President and thank you to my colleagues for extending my time. I would like to briefly go to public utilities, and make a very short intervention there. The first one deals with electricity. Madam President, on Wednesday, August 29, 2007 was the night the lights went out at La Fantasie to the embarrassment of many. T&TEC took the rap for the loss of power supply as a result of failure from a supply line at Cotton Hill. Madam President, power failures or outages are not a rarity in St. Ann's Cascade.

By coincidence, exactly one year previously, August 29, 2006, I raised the subject of outages in this area during the debate on the Treasury Bill. I think the hon. Minister invoked the Standing Order about irrelevance, but I did manage to

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get through what I wanted to, and that was Prof. Ken Julien talking about “No Tolerance for Blackout”. That was his theme at a 44th Independence Anniversary Breakfast function hosted by the Ministry of Public Utilities and the Environment.

To cut down some of what I have said here, he said in fact, comparing loss of water supply with loss of electricity that:

“...with water this could be accepted by consumers for a time, but with electricity this should not be the same as most people depend on electricity for their refrigerator which is essential for storage of foodstuff; use of other electrical appliances like televisions which most people use to relax and lights for the house at night time. These outages cause much stress, inconvenience and losses to commercial, industrial and home owners.”

So, I am bringing this to the attention of the Senate, because we had a situation where we were very marginal on power generation supply, and some small dips will cause loss of supply due to power generation, but the distribution system remains very insecure, if I may say so, particularly at times like this during the hurricane season when you get little breeze and things like that. If you see how those poles look, you would realize that if we are ever faced with a full hurricane, we would have to do like Jamaica and take off the power, so that we would not have any fires. That might be the precaution. I know that they are working on the question of electricity distribution system lines and transformer stations. It is a critical element in terms of our people and in terms of customer satisfaction.

Madam President, in the St. Ann’s area at Sydenham Avenue, last year, there were eight outages in June and in August six outages up to that time. My friend, Minister Chin Lee, acknowledged that his fridge had spoiled in that episode. The complainant said that there was never any reason given or the cause despite calls to T&TEC and to the RIC. This same complainant had reported on recent failures. On Monday, August 27, 2007 from 11 a.m. to 2 p.m there was an outage in St. Ann’s; on Tuesday, August 28, 2007 from 8 a.m. to 1 p.m. and from 5 p.m. to 6.15 p.m. there were outages; and on Wednesday, August 29, 2007 we all know it was the whole of St. Ann’s.

Although in the hon. Minister’s contribution in the other place she said that the public was very sensitive to power dropping out of the system, but people depend on electricity for various purposes. I think some greater concentration will have to be put into that aspect of our electrical system.

I must commend the hon. Minister of Public Utilities and the Environment for giving a very good presentation in the Lower House. [*Desk thumping*] It meant

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that I did not have to do much reading because all the items that she brought up avoided me having to read over the PSIP document in that respect.

A highlight of her contribution was the Street Lighting Programme which I think she said MORI had a satisfaction poll of 91 per cent. Madam President, for the first time in 30 years, I am the beneficiary of that programme, in that I have street lights on my street outside my home. I did not pull any strings to get them there. One important thing though to remember—this is something that I drew to the attention of the Minister of Public Utilities and the Environment last year—and that is that street lighting puts a big drain on the power requirement at a critical time in the evening, because that is when the street lights go on and when the house lights go on.

**4.35 p.m.**

With the additional generation capacity at Point Lisas, that maybe alleviates that problem. But, the street lighting bill; if I ask anybody here what they think the national street lighting bill for the municipal corporations would be, I wonder whether they could make a reasonable guess; \$48 million; that is what it is going to cost. That is why the hon. Prime Minister—

**Sen. Seetahal SC:** Every year?

**Sen. B. Ali:** Yes, well the estimate for 2008. The budget statement said that the T&TEC Act was going to be amended to provide for a single Government agency to pay the street lighting bills and not the local authorities. So, I did a quick check; so it is quite a bit, yes.

In the time I have left, Madam President, I will like to go to the Trinidad Rapid Rail Project. I hope that my contribution to the Rapid Rail Project will make eminent sense to the Members of this honourable Senate and would not be dismissed as arrant nonsense by the major proponent of this project as he is wont to do. [*Desk thumping*] He did not say so here today. I speak here today, as a Member of Parliament bound by my oath of allegiance and as a registered engineer bound by the code of ethics, as prescribed by the law. [*Desk thumping*]

Let me first put to rest the findings of the RITES Report, which at the very end of his winding up of the budget debate, the hon. Prime Minister cited in support of the project. I am quoting now from the prelude to the RITES Report:

"The need for a rail transit system has been felt by the Government of Trinidad and Tobago for a long time. Some previous have also emphasized on the requirement of this system. As a goodwill measure, the Ministry of

External Affairs, Government of India through its High Commission in Trinidad and Tobago commissioned RITES Limited, a Government of India undertaking to prepare a Concept Paper on rapid rail transit system for Trinidad. In this regard, a team of two members from RITES visited Trinidad from September 19 to October 01, 2003."

All of 11 days, Madam President. In November 2003, RITES submitted a document to the Government entitled "Rapid Rail Transit System for Trinidad, a Concept Paper."

A concept, by definition is a notion or an idea. By no stretch of the imagination can this be considered a feasibility report or even a preliminary feasibility study based, as it is on data collected over 12 days. Indeed, the assumptions and/or conclusions have been challenged by our own experienced transportation engineers.

RITES concluded that more accurate demand forecast would be estimated at the time of preparation of Detailed Project Report. And what they were proposing, as the components of that detailed project report:

- Details of accurate ridership estimate on each corridor and station loads.
- Detailed engineering feasibility and planning with preliminary details such as land requirement, geotechnical and environmental impact assessment.
- Details of systems and train operation plan.
- Reliable and accurate cost estimates, fare structure, operation and maintenance cost and implementation schedule.

In short, a detailed feasibility study, preparation of which would take 15 months. Not surprisingly, this proposal was not taken up, because we were looking for a fast track for the rapid rail.

The next event from what I could see was the award of the \$20.8 million contract for the performance of the Comprehensive National Transportation Study—CNTS as it is called—in February, 2005 to Parsons Brinckerhoff (PB), with an expected completion date of September, 2006. The draft final report of this study was submitted to the Ministry of Works and Transport in September 2006. And I wish to say that \$10 million of that contract was paid for that and we do not know whether the PB will be making any claims for further payments. The thing is, they were given three months to correct the deficiencies and that time expired in early August. So, what is the status of that? We have not seen anything on that, whether it informed any decision making on the Rapid Rail Project.

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The mass transit study, which was a parallel study, also awarded to PB, would appear to be plucked out of the CNTS. There was a supplementary appropriation in June 2006 and so that contract sum for the mass transit study implementation was \$30 million. Of course, we know that study contract was terminated on October 16, 2006 on the basis of a perceived conflict of interest with the bidders. Five million dollars is reported to have been paid at the time of termination so I do not know how much of that work has been saved.

The replacement consultants, we heard that name today, Marshall Macklin Monaghan (MMM), employed by NIDCO through the Canadian Commercial Corporation (CCC), which has a Government to Government arrangement with us, are the same consultants who are doing the \$350 million National Oncology Project. The law firm of White & Case, we heard today was also retained.

I asked a question that in the light of the termination of the mass transit study and the deficient CTMS report, what is the scientific basis for proceeding to commit this country to another contract based on rapid rail? [*Desk thumping*] And to date, I have not had a scientific reply. What the Minister has given I do not think is adequate. It is my considered view that the whole process has been flawed and possibly tainted by the happenings on this project.

I do not believe, Madam President, that all is lost. [*Interruption*] Yes, I just have one paragraph, okay. The preferred contractor may have been chosen, but the contract has not been awarded. The price for Phase I of this contract has been quoted as US \$67 million and I think it can be renegotiated to provide a feasibility which will take into account all the requirements for a completion of study. [*Desk thumping*]

If as the hon. Minister said in his Lower House contribution we can walk away from the project, why not take in front? We need to justify that we are taking the right decision in this multi-billion dollar project and not committing ourselves to a white elephant which will be like an albatross around the neck of the next generation.

So, Madam President, that is pretty well all that I have time, except to say that I am very disappointed that in fact, one piece of legislation has not reached anywhere and that is the public sector procurement regime and it looks like we would have to wait for the Ninth Parliament for that to get to a certain degree of transparency, accountability and value for money.

Thank you.

**Sen. Dr. Saith:** Madam President, I was just going to—before he sat—say I want to repeat what the Minister said, full document on the process of rapid rail. But Phase I of the project is exactly what RITES said should be done and at the end of Phase I, all the engineering, preliminary work, soil work and selection would be there with a price, and at that point in time the weighted out structure—because the amount will decide whether it goes or does not go, but the full details will be there. Because like you, we felt that we had to do it in a very structured manner and were not going to commit at this stage to a full project unless we got Phase I done. So that is the only phase that we could really have gotten a price for.

**Madam President:** All right, Senators, we were going to take tea at 5.00 p.m., but I think we can take the break for tea now and then when we come back Minister, you would then make your contribution. We shall now suspend for tea and return at 5.15 p.m.

**4.45 p.m.:** *Sitting suspended.*

**5.15 p.m.:** *Sitting resumed.*

**The Minister of Foreign Affairs (Sen. The Hon. Arnold Piggott):** Thank you, Madam President. It is a privilege to address this august body as Minister of Foreign Affairs and give an account of how the Ministry of Foreign Affairs has contributed to Government's programme of continuing to prepare for developed country status as enunciated in the budget statement of the Minister of Finance for fiscal year 2007/2008.

It must be emphasized that this programme is building on the five developmental pillars of Vision 2020. That is:

- Developing innovative people;
- Nurturing a caring society;
- Enabling competitive business;
- Investing in sound infrastructure and the environment; and
- Promoting effective Government over the past fiscal year.

One of the major objectives of the Ministry of Foreign Affairs is to improve the image and enhance the profile of the Republic of Trinidad and Tobago locally, regionally and internationally. Additionally, I wish to remind this honourable Senate that the Ministry of Foreign Affairs manages the relations which the Government of Trinidad and Tobago conducts with foreign governments and

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inter-governmental organizations; formulates foreign policy; articulates and executes that foreign policy; provides services to the ministries and departments and provides consular services.

So attractive is this lovely rainbow energy Republic of Trinidad and Tobago, that over the last fiscal year the governments of El Salvador, Spain, and South Africa opened diplomatic missions in Port of Spain and others are joining the growing queue to open missions here in Trinidad and Tobago. The setting up of these embassies has served to bolster the international image of Port of Spain which is already well on its way to becoming the diplomatic capital of the region. Like similar decisions taken by a number of investors, the decision by these governments to establish missions in this country has been influenced by many factors including this country's strong economy, low rate of inflation, good governance, stable democracy, literate workforce, strong institutions and favourable business climate. We have some 50 international institutions and diplomatic missions here in Trinidad already.

During the past five years, this country has attracted over US \$6 billion in foreign direct investment. This is due in large measure to its favourable image and standing in the international community. At present, Trinidad and Tobago is the second largest recipient of foreign direct investment from the United States, second only to Canada in this hemisphere. Trinidad and Tobago has the largest manufacturing sector and is the financial hub of the region. Under the leadership of this country's fourth Prime Minister, then the hon. Patrick Manning, during the period 1991 to 1995, the economy of Trinidad and Tobago was liberalized and the competitive floating rate regime was introduced on April 13, 1993. In the 14 years since that time, the exchange rate has remained stable and we have remained very, very balanced with our exchange rate over that period, ranging from five something to the US dollar to \$6.30 at present.

As Trinidad and Tobago pursues a balance and stable path in this development process, it has taken the decision to open new missions in various regions of the world, for example, the Caribbean, Latin America, Africa and Asia in order to achieve its objectives.

**5.20 p.m.**

The Government of Trinidad and Tobago will use these missions to facilitate the entry of goods and services into new markets, to attract increased foreign direct investment and to develop innovative people through the use of technology.



Madam President, to ensure that all our people prosper, the Government of the Republic of Trinidad and Tobago has a clear vision for progress. It is seeking to increase its ties with Central America as that region represents an almost untapped market for our manufacturers. It is clear that the interest is mutual as some four of the seven countries have already established diplomatic missions in Port of Spain.

Madam President, in pursuit of this vision, one of the strategies currently being finalized is the provision of a direct air link between Trinidad and Tobago and Central America. This will be achieved with the commencement of a regular and reliable air transportation service between Central America and this most southerly Caribbean island state by COPA Airlines based in Panama. During the latest round of discussion which occurred in June this year, when the Minister of Foreign Affairs for Trinidad and Tobago attended the OAS General Assembly in Panama, COPA committed to commencing an air service linking Trinidad and Tobago with Panama and other countries in Central America and the Caribbean, with a commencement date sometime in December 2007, when there is scheduled to be an inaugural flight to Trinidad.

Upon its inauguration, this air service will result in hassle-free travel, more timely and cost-effective flights and eliminate the need for visas to transit through third countries, such as North America. The benefits to our nationals, international passengers, those of our Caribbean neighbours and visitors to our shores, whether as tourists or for business, are indeed very clear and will be a significant achievement for the Ministry of Trade and Industry and the Ministry of Foreign Affairs, both Ministries having worked on this project for quite some time now.

Madam President, Trinidad and Tobago has become a very attractive location for businessmen and State leaders alike. Increasingly, this country is being sought out by influential decision-makers from countries all over the world. They all wish to visit and engage in discussions with key stakeholders about deepening relations while exploring avenues for business and investment.

This country has therefore welcomed several high-ranking decision-makers from various countries over the past fiscal year. You will recall the visit of the hon. Alexander Downer, Minister of Foreign Affairs of Australia and His Excellency Francisco Esteban Lainez Rivas, Minister of Foreign Affairs of El Salvador being two examples of Ministers of Foreign Affairs who came to Trinidad to engage Trinidad and Tobago on our very own soil. We have also received Shri Vayalar Ravi, Minister of Overseas Indian Affairs of India.

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Madam President, you will be aware that at an even higher political level, we recently received His Excellency Yoweri Kaguta Museveni, President of Uganda and Shri Bhairon Singh Shekawat, Vice President of India. President Museveni visited us to commemorate Emancipation Day a few weeks ago, while the Minister of Overseas Indian Affairs joined us in May this year to participate in the celebration of Indian Arrival Day.

Madam President, you would also recall that the President of Ghana, His Excellency Jerry Rawlings and the President of Nigeria, His Excellency Olusegun Obasanjo participated in Emancipation Day celebrations in 1997 and 2005, respectively. Subsequent to their visits, both Ghana and Nigeria followed our example and introduced Emancipation Day celebrations in their countries, testimony to that which we do in Trinidad and Tobago.

Since assuming office as Minister of Foreign Affairs in September last year, my experience has been that visitors to our country are so enthralled by the unique cultural offerings that have evolved here due to the fusion of our diverse multiethnic and multicultural influence, that they are very eager to import our music, our Carnival and other aspects of our culture. This certainly presents a commercially viable option for many of our budding musicians, artistes and craftsmen of Trinidad and Tobago. Therefore, the visits of these influential politicians and statesmen provide opportunities for us to showcase our diverse treasures and an avenue for expanding our exports in those areas.

Madam President, another key and important set of people came to Trinidad and Tobago sometime in the recent past, and that was a delegation comprising five representatives from the United States Congress, led by Congressman Eliot Engel, Chairman of the House Committee on Foreign Affairs and of the Subcommittee of Western Hemisphere, who also serves on the Energy and Commerce Committee. Congressman Eliot was accompanied by Congresswoman Maxine Waters; Congresswoman Sheila Jackson-Lee; Congresswoman Barbara Lee; and Congresswoman Yvette Clarke.

As a standard fare for visitors who come to our lovely country—Point Lisas Industrial Estate is standard—a visit to that wonder of the world in this beautiful country of ours was conducted. In similar manner, a visit to Point Lisas was conducted on behalf of President Museveni of Uganda. Substantive and service matters were discussed on bilateral meetings with the hon. Prime Minister, Patrick Manning. Their visit was ample recognition of the influential position which Trinidad and Tobago holds within the region.

Madam President, in terms of hosting of regional and international meetings, this country's stature in the regional and international arena has resulted in natural gravitation by countries and organizations to Trinidad and Tobago as a preferred location for hosting their meetings and conferences. This is due in part to the fact that this country is increasingly being viewed as the hub of the Americas. With its two international airports and two major multi-purpose seaports, Trinidad and Tobago is being viewed as a transshipment gateway and, naturally, an ideal location for conducting international business.

So confident is the international community of this small State's capacity and capability to execute major events with great impact, that the 34 Member States of the Organization of Americas States and the 53 Member States of the Commonwealth wholeheartedly supported and continue to rally around Trinidad and Tobago in its preparation to host both the 5<sup>th</sup> Summit of the Americas in the second quarter of 2009 and the Commonwealth Heads of Government Conference scheduled for the second quarter of 2009. The successful hosting of these events will once again put this progressive State of Trinidad and Tobago on the world stage and make all the people of Trinidad and Tobago extremely proud.

Madam President, I wish to take this opportunity to draw to your attention and the attention of this august Senate some of the resulting benefits that will be derived from the hosting of these two international conferences. I must emphasize that some of the benefits seamlessly dovetail with our goal of investing in sound infrastructure. In preparing for the hosting of these major international conferences, Trinidad and Tobago is in the process of:

- increasing its stock of hotel rooms by over 1,000 to make a total of some 5,000 hotel rooms by the year 2009;
- increasing the quantity and quality of its conference facilities;
- expanding its public transportation systems and vehicle fleet;
- deepening its Information, Communication, Technology (ICT) capabilities and other support structures.

All in support of hosting conferences and meetings of international nature starting in 2009 or being consolidated in 2009.

Additionally, substantial economic benefits will accrue to Trinidad and Tobago, as all elements of the service sector, including restaurants, entertainment centres, taxi service, music, stores, art, craft centres, gift shops, et cetera will

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attract business from the thousands of visitors, including the international press who will descend on Port of Spain, twice in a single year, in 2009.

As a respected member of the international community, Trinidad and Tobago adopts a principled stance on issues on the agenda of a number of international organizations. Over the last fiscal year, this country has subscribed to several international agreements, which advocate strict adherence to the highest international standards, rules and regulations in a number of disciplines.

Madam President, Trinidad and Tobago has subscribed to:

- the accession to the International Convention against Doping in Sport;
- agreement establishing the CARICOM Implementation Agency for crime and security;
- ratification of the United Nations Convention against corruption;
- ratification of the Convention concerning Labour Administration; Role, Function and Organization, et cetera, in 2007;

And there would be a conference on Labour here in Trinidad and Tobago in this very month, where a number of international people are going to be visiting with us in Trinidad for that conference.

- ratification of the International Criminal Court Act, 2006;
- signing of the Caribbean Court of Justice Trust Fund Act, 2006; and
- Caribbean Examination Council (Privileges and Immunities) Act, 2006.

In the conduct of its bilateral relations with other countries, Trinidad and Tobago signed a framework agreement on a concessional loan with the People's Republic of China in 2006. This agreement facilitates another pillar of our developed country programme, that is, investing in sound infrastructure. Under this agreement, financing for the construction of the academies for the performing arts has been provided, and these academies will add to the stock of facilities required for strengthening another pillar, that is, development of an innovative and skilled workforce, that will propel Trinidad and Tobago towards developed country status.

In its efforts to create an enabling environment for competitive business and also to attract foreign business and investment to Trinidad and Tobago further, the Ministry of Foreign Affairs has been at the forefront in negotiating and concluding investment promotion and protection agreements. Over the last fiscal year, investment promotion and protection agreements have been concluded with three major countries, namely, Germany, Mexico and India.

Madam President, these agreements provide an enabling environment for competitive business by giving assurances to foreign businesses that Trinidad and Tobago is committed to adhering to acceptable international rules and regulations for the protection of the investments of foreign companies doing business here in Trinidad and Tobago. The interest of these states and large international players in concluding such agreements with Trinidad and Tobago, again tangibly demonstrates the attractiveness of this country to business from around the world.

We have also negotiated and signed Visa Exemption Agreements for certain classes of passport holders with China and El Salvador. This will facilitate easier travel between Trinidad and Tobago and these two countries. We are also in the process of negotiating several more Visa Exemption Agreements with other countries, including some in Central America.

Moreover, we have signed a Memorandum of Understanding with the Government of the People's Republic of China pertinent to group travel between both countries, and this speaks specifically to our tourism thrust, attracting more people to Trinidad and Tobago to enjoy our hospitality.

In furtherance of the continued economic development of the nation and the maintenance of good relations with our neighbours, Trinidad and Tobago is in dialogue with Barbados on developing a framework for concluding arrangements for a new Fishing Agreement, and only recently Trinidad and Tobago concluded a Framework Treaty relating to the unitization of our hydrocarbon resources and reservoirs that extend across the delimitation line with our neighbour, Venezuela.

### **5.35 p.m.**

Madam President, I wish now to focus on Trinidad and Tobago's commitment to the region and to the goal of regional integration, with particular emphasis on the Caribbean Community Single Market and Economy, commonly referred to as the CSME.

From the signature in 1973 of the Treaty of Chaguaramas on behalf of Trinidad and Tobago by this country's first Prime Minister, Dr. Eric Williams, the country's commitment to regional integration has been steadfast. Later at Gran Anse in 1989, it was the Trinidad and Tobago Prime Minister, ANR Robinson, who provided critical intellectual inspiration to the debate on a range of community-related matters for the region.

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In the quasi Cabinet structure of the Caricom, our Prime Minister, the Hon. Patrick Manning, has responsibility for security and energy, and has been excelling at these two areas with his forward-looking interventions at the Heads of Government Conference and throughout other periods. Prime Minister Manning has consistently reiterated and maintained this country's commitment to the integration movement and has been passionate in advocating that the deepening and strengthening of integration within Caricom will inevitably lead to some form of political integration. Significant work has already been done on this, and more is yet to come.

**Sen. Dr. Gopeesingh:** Federation.

**Sen. The Hon. A. Piggott:** Integration is what we are working towards.

By the end of 2005, Trinidad and Tobago had put in place most of the requirements for the implementation of the single market component of the CSME and was one of six signatory countries at the official launch of the single market in Mona, Jamaica on January 30, 2006. Trinidad and Tobago remains committed to the consolidation of the single market and to the adoption of a series of measures, be they financial, fiscal or monetary, that will see the Caricom Single Economy (CSE) come into effect by the year 2015.

One of the mechanisms for the integration movement is the establishment of the Caricom Development Fund. In keeping with Chap. 7 of the Revised Treaty of Chaguaramas, this fund is designed to provide financial and technical assistance to disadvantaged countries, regions and sectors within the region. The formula for the Development Fund mirrors the budget formula for the Caricom Secretariat. Work is also ongoing to ensure that the fund and the development agency which will oversee projects financed by the fund become fully operational in the shortest possible time.

Madam President, so strong is the commitment of the Government of the Republic of Trinidad and Tobago to the Caribbean integration process that, to date, we have committed approximately US \$20 million to a one-time contribution from the Petroleum Stabilisation Fund. Apart from that one-time contribution, Trinidad and Tobago's assessed contribution to the fund is US \$37.07 million.

In addition to Trinidad and Tobago's own contribution, it is going to contribute another US \$9 million to meet any shortfall in the total amount of resources which other member States should be paying that cannot now pay. This signals very, very clearly Trinidad and Tobago's deep-rooted commitment to the integration process and movement within Caricom.

The free movement of skilled community nationals is an integral element in the implementation of the Caricom Single Market and Economy. As part of its responsibility for Caribbean community affairs, the Ministry of Foreign Affairs processes, approves and issues certificates of recognition of Caricom skills qualifications to nationals of subscribing member States, and that includes Trinidad and Tobago. This is in keeping with the Immigration (Caribbean Community Skilled Nationals) Act of 1996, as amended in 2003.

Madam President, since 2001, Trinidad and Tobago has issued a total of 1,326 certificates, with some 68.8 per cent of these being issued to non-nationals of Trinidad and Tobago; a further indication of our deep commitment to the integration movement.

As of March 2007, the eligible categories of wage earners were expanded to include non-graduate nurses and teachers and artisans who hold the Caribbean Vocational Qualification, commonly called CVQ, as well as persons holding associate degrees and equivalent. Work is in train to amend the existing legislation to include the aforementioned categories. Perhaps it may be good that I reiterate the previously eligible categories, at this stage. They would have been university graduates, sport persons, media workers, artisans and musicians; now it includes non-graduate nurses, teachers and artisans, among others.

Madam President, I mentioned earlier that within the quasi Cabinet structure of Caricom, the hon. Prime Minister has lead responsibility for security and energy. In this regard, he oversaw the security arrangements that were implemented for the recently concluded Cricket World Cup 2007. It is widely acknowledged that the security infrastructure was one of the major legacies of Cricket World Cup 2007 accruing to the region as a result of the single domestic space between February 01 to May 15, 2007.

The creation of a single domestic space provided the opportunity to explore the challenges and benefits of an integrated approach to immigration and security. I wish this honourable House to note, so I repeat: The creation of a single domestic space out of which security became a major legacy, provided the opportunity to explore the challenges and benefits of an integrated approach to immigration and security in this region of the Caricom community.

Visitors from select countries were required to obtain visas for entry into the single domestic space. Trinidad and Tobago was tasked with the responsibility for issuing visas for all visitors from Asia, Australia and New Zealand. Through assignments of immigration officers to this country's High Commission in New

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Delhi, as afforded by the Ministry of National Security and my colleague, Sen. Joseph and the establishment of temporary consulates in Sydney, Australia, during that period, this country distinguished itself in fulfilling its obligation in issuing visas to facilitate their entry into the single domestic space created through Caricom. Moreover, during the same period, an immigration officer was also assigned to our embassy in Caracas, Venezuela, to process applications originating in all of South America in respect of the tourist traffic anticipated for Carnival and for study purposes. A number of visas were issued at the Caracas office.

The Government of Trinidad and Tobago continues to demonstrate its commitment to the region. In an effort to mitigate the escalating cost of oil and petroleum products on the international markets for some of our Caricom brothers and sisters in the region, Trinidad and Tobago established a Petroleum Stabilisation Fund on July 01, 2004 as a grant facility. For the financial year 2006/2007, the annual allocation to the Caricom Development Fund was increased to TT \$420 million, up from TT \$300 million during the last two fiscal periods, with an addition facilitating a window for Organization of Eastern Caribbean States (OECS) countries.

Only recently a decision was taken to provide financial assistance to another of our Caricom brother or sister, that is, the Government of Jamaica, in the sum of \$20 million, in the wake of the destruction caused by Hurricane Dean on Sunday, August 19, 2007, where that country suffered significant damage in terms of property, houses, infrastructure, among other things.

Madam President, this honourable Senate may wish to note that the Caribbean Community is Trinidad and Tobago's second largest market after the US. The Caribbean Community is, therefore, a major partner in our developmental process and we are keen on ensuring that it develops alongside us as we move forward to developed country status.

It is clear that Trinidad and Tobago remains committed to the regional integration movement and is cognizant that the strength of the region lies in solidarity between one and the other. Trinidad and Tobago, therefore, recognizes that the countries of the region collectively are a more formidable force than countries advancing their own cause as individual States. Indeed, in the global arena, large States seek our support, small Trinidad and Tobago, for things that they would wish to do. They cannot move along by themselves. It is a global village and we need each other in the world. We feel more strongly that the Caribbean Community should be working closer and closer together, and we are doing all in our power to facilitate this close working relationship between our Caricom brothers and sisters.



The Ministry of Foreign Affairs supported the hon. Prime Minister's participation in meetings that the Caribbean Community recently held with two of its major international partners, namely the USA and Canada, at which time our Prime Minister articulated with vigour the region's security concerns and challenges with appropriate recommendations to those two States.

The high point of the historic three-day Conference of the Caribbean—A Vision 2020, that took place in Washington DC in June this year, was the summit between Caricom Heads of Government and the US President. During that summit, Prime Minister Manning made it clear that Caricom States recognized fully the need to develop a more comprehensive and coordinated approach to ensuring our security and competitiveness in the face of new and emerging challenges to regional, global and hemispheric security.

He explained further, that having regard to the multi-dimensional nature of the security challenges before the Caricom region, Caricom Heads of Government have now declared security as the fourth pillar on which to jointly pursue the development and progress of Caricom. This he noted was a reflection of our appreciation of the connection between security and competitiveness, as indeed there is.

The other three pillars of the integration movement of Caricom—just to reiterate to remind you of what the other three pillars are, apart from the security pillar—are coordination of our foreign policy; trade and economic development and functional cooperation. Those were the three original pillars. Recently the security pillar was added as the fourth major pillar in the integration movement.

For Trinidad and Tobago and its Caricom colleagues, the Conference on the Caribbean—A Vision 2020 served as a catalyst for a new thrust in the region's engagement with the USA and the Caribbean diaspora resident there.

The joint statement issued at the end of the conference covered a diverse range of areas for collaboration between the United States of America and the Caribbean Community. In that joint statement, the community and the United States of America reaffirmed their resolute commitment to working together to create a secure and prosperous region and future for the benefit of all our citizens.

**5.50 p.m.**

Also of significance, was the announcement by the USA President that he should work with the United States Congress to extend and update the Caribbean Basin Trade Promotion Act and the 1991 Trade and Investment Framework Agreement to facilitate improved trade between our two countries.

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Madam President, I wish to assure this honourable Senate that in the coming months, the Ministry of Foreign Affairs will actively pursue follow-up action with respect to initiatives emanating from the Conference on the Caribbean. Such action will translate the tremendous political, social, cultural and intellectual capital in the region into tangible benefits for not only the people of Trinidad and Tobago, but those of Caricom as a whole.

Madam President, the Conference of the Caribbean also included a meeting between Caricom Ministers of Foreign Affairs and the US Secretary of State, Dr. Condoleezza Rice, during which your Minister of Foreign Affairs took the opportunity to reiterate the determination of Trinidad and Tobago to have continued, dedicated discussion before the end of 2007 on several regional security initiatives that are currently the subject of comprehensive review within the framework for the management of crime and security in Caricom.

I also underscored the point, Madam President, that Trinidad and Tobago expects that there will be a full restoration of its access and that of member States of Caricom to the provisions of the United States of America Foreign Military Assistance Programme. Additionally, the need for agreement between both sides on the entire question of deportation of Caricom nationals, including those of Trinidad and Tobago, from the USA was reiterated to the Secretary of State.

Madam President, I must tell you that since that time, having also met with the Sub-committee on Foreign Affairs, the region Caricom has been invited to submit proposals to a committee that was having a hearing on deportees and through the Caricom Secretariat, there was a nominee who went to Washington and made an oral presentation as well as one in writing to that committee for consideration as to how we move the process forward, how we relate with deportees; how the USA treats with deportees in sending them back to Trinidad and other Caricom countries. So already, there has been some movement on this issue of deportation. At least the dialogue has commenced and we have gotten some joy early in the game. From June to August, we have already had responses. We have had responses in other areas that I cannot now share with you, but there are other responses arising out of our discussions in Washington DC.

Madam President, I remain convinced that focused attention on our multi-dimensional yet shared regional security interest will move Caricom and the United States of America closer to the establishment and maintenance of a comprehensive and collective regional security arrangement, and I have already alluded to some movements.

Madam President, interaction was also facilitated between Heads of Government of Caricom and the powerful House Ways and Means Committee chaired by Congressman Charlie Rangel. Also facilitated was a meeting by another major committee, the US Foreign Affairs Committee of the United States Congress to which I also alluded, and which committee was the one dealing with the deportation issue.

In terms of Canada and its relations with Caricom, Trinidad and Tobago have been in the vanguard of the region's efforts to seek to negotiate a new Free Trade Agreement (FTA), and we have been working along with the Ministry of Trade and Industry in this area with the Minister of Trade and Industry having responsibility within Caricom for these trade matters.

I am pleased to report that our steadfastness on this matter has again borne fruit, for during a meeting held in Bridgetown, Barbados in July 2007 between Caricom heads and the Prime Minister of Canada, the Prime Minister of Canada indicated his Government's commitment to re-engage the region, i.e. Caricom, to forge a new economic partnership with the community and to commence negotiations for a new Free Trade Agreement with the region in the not too distant future.

**Sen. Dr. Gopeesingh:** Madam President, through you, would the hon. Minister indicate whether or not this is replacing the existing relation within which Trinidad and Tobago is replacing— As I am on my feet, can I just ask you to consider two other clarification matters? Will you be kind enough to indicate to this Senate and the country what Trinidad and Tobago's contribution has been to the Petroleum Development Fund, the Caribbean Stabilisation Fund and the Hurricane Fund?

**Sen. The Hon. A. Piggott:** The new FTA will replace CARIBCAN or supplement it in some form, but CARIBCAN, as you know, is on its way out and this is a new agreement that we are seeking to forge between Caricom and Canada.

**Sen. Dr. Gopeesingh:** What is it called?

**Sen. The Hon. A. Piggott:** It is not named yet. In terms of the other funds, I do not have the figures available at hand, but I did indicate that the Caricom Petroleum Fund of \$420 million up from \$300 million earlier and I did indicate the drawdown we have made from some of those funds over a period of time, but that information can be had from me. It is available.

Madam President, once again in accordance with Prime Minister Manning's responsibility as head of the Government for crime within the quasi Cabinet of

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Caricom for crime and security and in much the same vein as he had done during the Conference on the Caribbean, he has articulated the region's concerns about the deleterious impact of crime and the role of drug trafficking in the increase in criminal activity in a number of Caricom Member States.

This issue of crime is across the region and the world. It is having a deleterious effect on all the activities of the region, economic and otherwise, and there was a plea for us to work together to stem the tide of this criminal activity. The hon. Prime Minister referred to the study prepared by the World Bank as well as the establishment of a protective system in the Eastern Caribbean with the assistance of international partners.

Madam President, I wish to touch now very briefly on some of the work of the missions which we have overseas. There are some 15 overseas offices, 12 of them being embassies and 3 being consulates. The missions' functions are to:

1. advocate on behalf of the Government of the Republic of Trinidad and Tobago;
2. actively promote Trinidad and Tobago in a positive way within the international community, to advance the efforts of the Government of the Republic of Trinidad and Tobago;
3. attract inflows of investment, technology, special skills, professional and technical services and also vigorously and diligently pursue economic, social and cultural linkages;
4. facilitate trade with the objective of improving the balance of trade in favour of Trinidad and Tobago;
5. increase the flow of bilateral and multilateral assistance to Trinidad and Tobago; and
6. enable new and existing businesses to secure niche markets for their products, brands and services in the international market.

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

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

*Question put and agreed to.*

**Sen. The Hon. A. Piggott:** Thank you, very much. Madam President, suffice it to say in terms of the missions' work, they are working diligently in ensuring that they meet the mandate which has been established for them, and we are very happy with the business they bring to the country and the work they are doing on behalf of the Republic of Trinidad and Tobago in moving it forward to developed country status by the year 2020.

Madam President, we continue the process of transformation as part of the Government's programme to modernize Trinidad and Tobago and perhaps we need to use that word a little more. We have been using the word transformation quite a bit and somehow, some of our people do not understand that as we transform we are going to modernize. Clearly, we were not going to make it old, we are going to make it new, and we are working assiduously in doing that.

Madam President, as we continue the process of transformation to modernize the Ministry of Foreign Affairs to better serve all its stakeholders, we are in the process of reviewing Trinidad and Tobago's Foreign Policy to bring it more in line with the thrust of the Government's programme of developed country status by the year 2020.

Further, we are moving swiftly to restructure the Ministry of Foreign Affairs into a more modern agency capable of adapting readily to the new policy shifts, while embracing the complexities of a fully developed, modern society.

Additionally, we are in the process of supplementing our human resource complement to enable us to reduce and eliminate service gaps identified at the ministry. The Ministry of Foreign Affairs is also committed to introducing more information technology processes to bring its systems in line with 21<sup>st</sup> Century information communications technology imperatives.

Madam President, I would like to reiterate that the Ministry of Foreign Affairs represents the face of Trinidad and Tobago overseas and in the international arena. The Ministry of Foreign Affairs remains committed to improving the image and enhancing the profile of the Republic of Trinidad and Tobago in the world. The business of the Ministry of Foreign Affairs is everyone's business, it does not represent itself, it represents everyone, every ministry, every arm of Government.

The Ministry of Foreign Affairs therefore, to give you some examples, is not in the fishing business, but it negotiates fishery agreements and mediates in fishing disputes. It is not responsible for domestic law and order, but it facilitates negotiations of agreements to reduce the flow of illicit drugs and small arms. It is not in the business of border control or immigration matters, but it negotiates visa

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waiver agreements. The Ministry of Foreign Affairs is not involved in commerce directly, but it assists in mounting trade missions to penetrate key markets and negotiates investment, promotion and protection agreements. It is not in the energy business, but it negotiates agreements for the unitization of our hydrocarbon reservoirs in shared territories. The Ministry of Foreign Affairs is not in tourism or airline business, but it assists in negotiating agreements for increased tourist arrivals and improved air services, all of which I have referenced earlier in my contribution.

**6.05 p.m.**

Madam President, I wish to tell this honourable Senate that there are a number of positive attributes of which the people of Trinidad and Tobago could be justifiably proud and there are so many more to which we can aspire and together achieve. Some of that for which we can be justifiably proud is that Trinidad and Tobago is a small country with big impact and global reach. I stated that earlier—small country, big impact, global reach, as enunciated on some of the things I stated earlier.

There is the Point Lisas Industrial Estate, the wonder of the world—wonder in the Caribbean; there is FIFA World Cup that we participated in; we provide energy security for the Americas; we are a dominant supplier of petroleum products—LNG, ammonia, methanol, hydrocarbon resources; we are a highly industrialized country; there is a tradition of high educational achievement in Trinidad and Tobago; we have a skilled literate workforce; we have a stable democracy; strong institutions; we have principled stance in the international fora; Trinidad and Tobago is culturally vibrant; multi-ethnic; multi-cultural; we have strong management and commercial centres in the region; we are a mature financial centre.

I therefore say: How can we aspire to becoming the transshipment capital of the region if we have no major ports? And, yes, we have ports. How can we aspire to becoming the financial capital of the region if we do not have a mature financial market and regulatory institutions for capital market activity? And we have these. How can we aspire to becoming the industrial capital of the region if we have no industries or none of note? And, yes, we have industrial activity and we have large industrial activity in the Point Lisas Industrial Estate. How can we aspire to become the conference capital of the region if we do not have a conference centre? And, yes, we have conference facilities in Trinidad and Tobago. How can we aspire to become the diplomatic capital of the region if there is no diplomatic representation in Trinidad and Tobago and if we cannot attract

more countries and international agencies to establish diplomatic missions in Trinidad and Tobago? We have 22 international agencies and 28 diplomatic missions for a total of 50.

How can we obtain the support of Member States of the Organization of American States to host a Summit of the Americas, the fifth one in Trinidad and Tobago, for which we can be proud if we do not have some place for these people to come to that is attractive? How can Trinidad and Tobago obtain the support from 53 Member States of the Commonwealth nations in our bid to host the Commonwealth Heads of Government Conference if we do not prepare and put our house in order to properly receive and host them? When should we start and where should we begin to prepare for our people to come into this country and for people in this country?

Why do so many of us, in preparation for receiving guests in our homes, for a special event or welcome to a returning child or children, or, indeed, a prodigal son—Sen. Mark?

**Sen. Mark:** I did not hear you on that one.

**Sen. The Hon. A. Piggott:** Prodigal son. You were never on this side so you cannot leave us to come back here.

**Sen. Dr. Gopeesingh:** Which one is the prodigal son? Who is that?

**Sen. The Hon. A. Piggott:** Why do we paint our houses, change the furniture, renew the kitchen, when we expect guests? Is it not to present your home with the best possible face; with the best possible outlook; to make your house warm and welcoming; to make it more attractive, so that your household guest would be comfortable? This Government of the Republic of Trinidad and Tobago, of which I am proud to be a part, sees it as a sacred responsibility to go and prepare a place for all our people and certainly our guests as well.

In so doing, the Ministry of Foreign Affairs will continuously pursue initiatives to improve the image and enhance the profile of the Republic of Trinidad and Tobago. So where is the oddity in a diplomatic centre for the State to properly receive its illustrious guests, in a warm, attractive, welcoming State facility? [*Desk thumping*] No country has been able to make progress without modern infrastructure. One of the five pillars of the Government's Vision 2020 is the improvement of the assets that constitute the physical infrastructure of the country and the concomitant investment in sound infrastructure for the benefit of the people of Trinidad and Tobago.

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The diplomatic centre was born out of a need to ensure that our country, like any other in the world—first class world—has an appropriate venue for the hosting of certain State events.

**Madam President:** You have five minutes, Minister.

**Sen. The Hon. A. Piggott:** The diplomatic centre belongs to the people of Trinidad and Tobago. [*Desk thumping*] May I remind the hon. Senators and the national population—[*Interruption*] My dear colleague, Sen. Mark, may I remind you, Sir, that whereas the Central Bank is the custodian of the monetary assets of the Republic of Trinidad and Tobago; and whereas the NEC is the custodian of the energy assets of the Republic of Trinidad and Tobago, in a similar manner the Ministry of Public Administration and Information is the custodian of all public buildings of the Government property in Trinidad and Tobago and the official residence and any diplomatic centre in Trinidad and Tobago is no different.

Recently someone asked me: Why did they not hand it over to you as the Minister of Foreign Affairs? I said there is no diplomatic blunder when the official residence of a Prime Minister and a diplomatic centre is handed to the Permanent Secretary in the Ministry of Public Administration and Information. The Permanent Secretary is the Accounting Officer in the Ministry of Public Administration and Information.

None shall be so blind, be they Opposition parliamentarian, civic groups, armchair critics or, indeed, the media, as not to see the value of investing in sound infrastructure and the environment. One of the key pillars of this Government's Vision 2020 is to take our people to developed country status and so enjoy a better quality of life for all our people. Such aspect is represented in all that we are doing in Port of Spain with all the structures that we are putting up and all the services that we are providing.

If, when they think of good things, they think about the campus buildings, the waterfront, the official residence, then they think of Patrick Manning; if when they think of Patrick Manning they think of good government, and if when they think of good governance they think of Patrick Manning, then all of us on this side thank you for saluting a team with an astute and forward-looking leader that can take this country to developed country status by 2020. [*Desk thumping*]

Madam President, I am going to conclude now. We cannot but salute the value of good leadership, sound judgment, good governance and astute financial management as is being practised in Trinidad and Tobago in this lovely rainbow



country today. [*Interruption*] It has been an honour to present this statement on the work of the Ministry of Foreign Affairs and how this work seamlessly interfaces with all the Government ministries which it serves as a facilitator of all the priorities of Trinidad and Tobago.

I thank you and this honourable Senate for listening to me this afternoon. Thank you very much. [*Desk thumping*]

**Sen. Ronald Phillip:** Madam President, I am, indeed, honoured to make my first budget contribution in this august House. [*Desk thumping*] I want to assure hon. Senators that it will definitely not be my last. I intend to return with a new portfolio very soon. [*Desk thumping*]

We are here to debate what is a money Bill called the budget and we have these documents, which I have perused. I ask the question, really, why do we produce a budget? The Government obviously needs funding for its programmes, so we have the PSIP and we have plans and when we talk about funding, the PNM, the party with a narrow minority—that is how they are called now—has not been addressing the problems of the people. There are glaring problems of crime; cost of living in terms of food prices; congestion on the road and rampant corruption. So when we look at this budget, I want to take the liberty to, probably, christen it—you know, when you have a baby and you christen it.

I am taking the liberty to say that this budget is really taking Trinidad and Tobago nowhere. It is like on a carousel. If you remember the days of the 1970s, we are going round and round with no true development. So this budget and this Government, its hallmark has been squandermania: high inflation of over 10 per cent; higher food prices in terms of from January to now of 23 per cent; there is a constant pressure on the exchange rate. The Minister of Foreign Affairs spoke about the exchange rate and he mentioned that they have stabilized the exchange rate from \$5 to \$6.30. I called the bank at 8.00 this morning to find the exchange rate and it was \$6.33. So if I take his \$6.30, what he calls stabilizing is actually a 26 per cent increase.

That is the nature of the planning process. What you have is high consumption rate; no emphasis on maintenance of the infrastructure that we are talking about; no regard for the environment; a total environmental degradation. They talk about planning and planning documents, but what they have done—for instance, when you look at the PSIP, you normally get a time line. They have sneaked out the time line. So we are giving you the projects and we are not telling you when they will be completed, hence corruption.

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When I talk about corruption, I am not speaking about the petty person who is getting a small cheque who is in court now in terms of a court matter. That is not corruption. I would like to tell this nation what is corruption. Corruption is when you budget a programme for “X” amount of money and what you do is, as any project you look at crashing the project in terms of the time line and the Government in their rush to show people visible evidence, will come and say: “I want the waterfront project completed in so many months before.” So when they go to the contractor, the contractor adjusts his time; he mobilizes his resources, and it is an add-on.

We started off in paving a runway at the airport for \$32 million and when we finished, it reached \$137 million in terms of paving. That is the nature of it. They are slipping away and taking out the money. So what you have is an ill-conceived expansion of Port of Spain, because of the centralization and all that traffic congestion. They are using the housing, which they say they have built 26,000 houses—and I am happy that the people are benefiting from the houses, but they are using it as handouts. You are not creating a culture of saving. A house is something that people cherish and look forward to. Everyone now is clamouring to get a house, so it is a syndrome of who you know and who could help you rather than transparency.

So they are fostering poverty and dependency on the social programmes and, really, the PNM has learnt absolutely nothing from the 1970s in terms of managing this country. The hon. Sen. Danny Montano was talking about Trinidad and Tobago and in his contribution he said it was an island economy. I think by an island economy he meant that we were an island; it does not mean that we have an island economy inception, because from my understanding, Trinidad and Tobago has an oil and gas economy.

I just want to go to a PricewaterhouseCoopers document of analyzing the budget and I would like to quote from page 6. On page 6 they talk about this oil and gas economy and the Ryder Scott Report raised the question of the adequacy of the nation’s gas reserves and once again has fuelled debate on whether the end of the rainbow is within sight.

#### **PROCEDURAL MOTION**

**The Minister of Public Administration and Information and Minister of Energy and Energy Industries (Sen. The Hon. Dr. Lenny Saith):** Madam President, I beg to move that the Senate continue its sitting until the completion of the contributions of the hon. Senator, Sen. Dr. Mc Kenzie and Sen. Satish Ramroop.

*Question put and agreed to.*

**6.20 p.m.**

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**Sen. R. Phillip:** Madam President, when the Minister of Foreign Affairs was talking about this rainbow nation, it is probably that PricewaterhouseCoopers was being prophetic when they called the article “the end of the rainbow”. This Ryder Scott Report has raised the question of the adequacy of the nation’s gas reserves.

**Sen. Piggott:** What are you about with this rainbow? Do you understand the notion of a rainbow? I want to know if he understands what a rainbow means.

**Sen. R. Phillip:** Madam President, I heard that the rainbow is the universal symbol of gay people. That is what I know of the rainbow.

Are we looking at the end of the rainbow? In this discussion you have to consider the objective contributions of people. Recently, the IMF mission to Trinidad made some statements about the Trinidad and Tobago economy. It said that Trinidad and Tobago is rightly aiming at using energy resources to reach ambitious development goals before energy reserves are exhausted.

These words are highlighted. Ambitious in terms of what the IMF is saying about this Government.

The key to this goal is the transformation of the energy wealth and a balanced combination of external financial assets and physical and human capital. The challenge is to implement a prudent mix of macro economics and structural policies as this is essential to supply an orderly and efficient absorption of the increased energy earnings over time. The policies also need to take into account intergenerational aspects associated with the exploitation of this exhaustible resource.

The other statement of interest to the IMF is that the economy is operating at full capacity.

My portfolio is to talk about the infrastructure and the environment. I want to spend time to build on the discourse of the oil and gas economy. A lot of the things that people have been mentioning are symptoms that the economy is in a diseased state. I agree with Sen. King when she described the symptoms of the Dutch disease. The Dutch disease describes an economy that has not decentralized itself. With this oil and gas economy you have a revenue that depends on export.

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The Government has a high expenditure on wages and salaries. There is pressure as all this money is flowing. It is the management of this economy—they do not understand the economy. They are calling it rainbow nation and island state.

When you talk about wages you have a demonstration effect which means that you have high unemployment and wages and disparity in terms of the sectors. When somebody is working in the construction or energy sector they will get a wage as a labourer. Compare that with the agricultural sector, that people will work for \$80 a day as opposed to \$150. People will move obviously to those sectors. It causes some false labour shortages. The country does not understand the policy where we have moved agriculture from about 5 per cent of GDP. If we cannot feed ourselves where are we going?

According to CSO, 30,000 small household families were involved in agriculture in 2000. In 2007, from the manpower research, you have 16,000 families. Many people have moved from the agricultural sector. That is why the sector is crippling. We could talk about these super farms and big projects, but this is where the development takes place. There is little profit and returns on the investment. You have praedial larceny; pests; flooding and risks. The Minister of Agriculture said that they do not pay compensation. You lose \$50,000 potential earning and they will probably give you a cheque for \$125. Where is the propensity to stay?

The Government came in a nice way in the oil and gas bubble and it would pique in 2008. There is a propensity to spend; there is lavish spending in terms of the Waterfront Project and the Rapid Rail Project. They break it in phases. Why? Each phase you move the time lines; try to manage it and move the budget. When something started like a diplomatic centre and a prime minister's residence at about \$60,000 or \$70,000, you end up with \$148 million. You have the creeping effect and that is where the corruption is. The taxpayers are not getting value for their money. You have to deal with the disease of this economy and arrest this pattern of economic decline and stagnation. Some sectors are languishing. Where is the stabilization, adjustment, and transformation in the economy to ensure that we have a stable economy? When I look at this economy there is no evidence that they are looking to stabilize it.

In terms of planning and economy, if you go back to 1995, in the days of the UNC you had a budget of \$9.5 billion. It would have increased to \$13.5 billion too, but there was no inflation. The reason was that there was idle capacity in the country. You could have increased this. The economists do not know about the absorptive capacity of the country and people were planning and trying it by trial

and error. Think about 2005 when this administration had a budget around \$31 billion, we saw inflation coming. You had the feature of an economy and in the free market where you say market price will regulate, suddenly there is a shortage of construction material. There are no blocks; sharp sand moved from \$500 to \$1000 because the people who have the resources could command the higher prices. When you have macro projects as the Government and it wants to finish them, it would spend. That will damage the entire private sector. That is where this Government has failed. There has been a failure to recognize that there is a limit to government spending. They must try to stabilize the economy with fiscal and monetary measures.

Central Bank has been trying to do some of this. The Central Bank has been trying to raise some funds. We spoke on the Finance Bill in terms of the Insurance Act. When the Government raised money for financial expenditure via public debt and increased the asset, it was asking the Central Bank to remove the extra money out of the system. Central Bank steps in; utilizes the millions of dollars; pays it by bonds, meaning that they take out the money and pack it in a vault to prevent the overheating of the economy. We are at full capacity of \$31 million. We are talking about an economy that moved from \$31 billion to \$38 billion and the lower end of \$42 billion with a supplemental of \$55 billion as Sen. King has pointed out. You are injecting cash in the economy and we are not stabilizing the economy. This is why we are talking about the end of the rainbow.

I want to strengthen the argument by talking about Trinidad and Tobago's perspective in terms of oil and gas. When Sen. The Hon. Danny Montano talked about the oil and gas will not finish, I remember earlier in the Senate—For 200 years you will get a barrel of oil a day, if you are dealing with a mineral economy which is what we have, you will have diminishing returns. While people say that the coal is finishing and they will not use it because it is—that is not true. You have the coal that is 3 kilometres in the ground, so it does not make sense to mine the coal.

The Minister of Foreign Affairs talked about unitization. There was a big picture to fool the people with the President of Venezuela and our Prime Minister signing here. At the end of the article it means that revenue for social programmes as health, education, scholarship and houses—Venezuela will not develop that field. On our side is deep water. The only block of gas we have is block 22 with Petro-Canada which we gave out a peppercorn field and Petrotrin wants to buy back. They want to sell at 10 per cent. When we talk about gas reserves we talk about the industry's viewpoint. There is still more gas to be found.

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They still have hope; do not worry; the money will come. For all hydrocarbon basins in the world there is the so-called creaming. It shows there may be one or two very large fields; a handful or so of large fields; a dozen or so of medium fields and a lot of smaller fields. The larger fields are found and developed first. As the basin matures this coveted field size gets smaller and smaller and becomes difficult to develop.

This contribution was made at a conference with bpTT and Talisman.

We have not had any such discoveries over the last few years hence our declining reserve position.

If the theory were to say that we will still find some small fields, we are not going to find any. There will not be any gas for this country. If you cannot manage your economy in terms of what you have, you are coming to the end of the rainbow.

Sen. The Hon. Danny Montano said that he does not know what else you could do. Just for the discourse let me sketch some models that would inform this thinking so Senators could follow the argument. Adam Smith developed the theory of absolute advantage which is called first mover advantage. If you develop something you would make the most money out of it. If somebody else copies it, as the Chinese do, then you will be in trouble.

You have the comparative advantage that was developed by the economist David Ricardo. In terms of trade, he talked about having production of some entity, be it like cocoa and coffee, our cocoa being the best in the world, if we could compete and use it as flavour, we have some advantage.

We talk about the models developed by Michael Porter. That is a resource-based strategy thinking. Nations should look at the resources that God has endowed them with. If you have nice beaches, develop your tourism industry. If you have oil and gas, develop your oil and gas industry. I am very happy to be living in Trinidad and Tobago and God has blessed us with his resources. If we waste them—they will not last forever. We know that they are non-renewable resources.

**6.35 p.m.**

While people talk about the competitive advantage, there is another theory called the effective exchange rate. You look at it and you see pressure on it and that is an indicator of how well you manage the economy. You have the exchange rate slipping by 26 per cent. No, we are not doing so well.

In fact, just talking about some of the monetary policies—there is something called dollarization where very soon we may have to abolish the Trinidad and Tobago dollar and use the US dollar. In 2000, for instance, every new dollar we produced, 50 per cent was backed up by foreign exchange. Now, we are consuming our foreign exchange at an alarming rate. We are now in 2007 and when you print money, 85 per cent is backed up by the foreign exchange rate. So you have this damning Ryder Scott Report. You will have the bottom falling out of this country if some things are not done.

One of the things I would like to recommend is that you develop new sources of your foreign exchange. This has to come from creating some form of competitive advantage in terms of some of the resources and developing your onshore sector. You have to be able to secure yourself. If you have any disaster in terms of hurricane, earthquake, famine or some sort of global change as we see now, and the food production goes, people will starve. You have to be able to develop and take care of yourself. You have to have growth in these other sectors and when we look at the Trinidad and Tobago economy, for example, tourism, we recognize that 50 per cent of people in the world are employed through tourism.

I want to share, as we are talking about some of these economies, what has happened in the Middle East—I am still on the point of the Dutch disease and our need to diversify our economy—Dubai and Kuwait and so on. Kuwait looked at it, found that there is just sand around; could not develop it for anything and decided to put the money there; get some interest out of it, invest it in foreign currency so that they could live off it.

Dubai has not wasted its money. It has not done what we have done—moved the oil from \$22 to \$35 all the way to \$55. The ideal price we should peg this at is \$35. Dubai has taken the money, looked at how they could develop their environment and they have developed a unique tourism industry. In fact, there are islands being created in verses of the *Quoran* in which they have been constructing elaborate buildings and they have a niche market in terms of tourism. The Norwegians have put aside some money too.

We are not saving anything, so based on that, when we talk about the Revenue Stabilisation Fund and say we are injecting money, what we need to do is very quickly to reverse the spending trend. When this was suggested by the Leader of the Opposition in the Lower House, the rebuttal by the Minister of Works and Transport was: What do you want us to do? Take the waterfront towers, bulldoze them and throw them into the sea? That is the arrogance.

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We are talking about the need to cut back and put some more money in terms of the Revenue Stabilisation Fund. If they peg it at \$35 dollars a barrel and we say that the oil price is \$50 a barrel, then you are able to put more money into this, say \$1 billion a year and in six years' time you have the interest. Right now, the figure quoted is \$10.7 billion. You have the principal and the interest. When you reach \$20 billion, you can get interest of about \$1 billion to finance your social programme.

So, the feature of these oil and gas economies is that you have to take a large amount of money to pay public servants' salaries and everybody is clamouring for money. The Minister of Finance has said that it is more difficult to manage abundance because everybody wants more money and the accounting system of the Government is an add-on one. The guys know that if this year they ask for \$X, next year it is \$X+Y. The point is that we do not get anything in return, so we have to reduce our balance of payments and look at our fiscal deficit to sustain the medium term.

We definitely have to look at the more cost-effective operations and that is where the savings will take place. Scaling back the projects means that Government has reprioritized the projects in terms of looking at what they have to do. I am not saying do not build the buildings and develop the infrastructure. The infrastructure is needed but let us give the people of Trinidad and Tobago value for money in terms of it. Do not squander the money and go into cost overruns and encourage corruption. You will keep the economy at the level where the human capacity is developing.

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

Another argument that is put forward by this Government is that it is about developing the people. That is such a fallacy, Mr. Vice-President. In 1960, when the World Bank got involved in education and started to finance—before they saw education as a consumable product, as something to be developed to allow the people to stay in school, then the person's earnings would increase and so the economy would grow. So all the countries of the world decided to set higher targets, and rightly so, saying they are developing their people. When I go to the hospital, I want a bed. When I open my tap, I want water. If you go to the hospital at San Fernando, you have to wait five hours for service. I do not want to wait those five hours. When I go, I want to get drugs. I want things to work, so development is about creating institutions, Mr. Vice-President. It is not about developing people.



The hon. Minister, when we had the debate on the Medical Bill, talked about volunteering in terms of developing themselves. It is the horse and the water situation. You can have the best school, but if the guy cannot read, he is not going to go for people to see that he cannot read. You have to develop the institution and this is the problem with the Trinidad and Tobago society. Nothing works in this country.

This is where the businessmen, whose pockets are deep, will pass the money to the public servants, who are working for small money, and jump ahead in the line. There is a constant barrage now of complaints to us in the Opposition about people not getting contracts and there is a perception that someone is a UNC supporter and this is what is happening. The country is being taken care of by looking at a minority of people. What you find happening is that we really have to look at our monetary policies. We have to be cost effective and to develop the downstream industries. These are promises that the Government keeps making year after year in the budget.

I would like to share with you some of the promises made, specifically on environmental issues. They talk about Government being able to set up—this is since 2003; and I am reading excerpts of the budget presentation. They said that Government held discussions with the World Bank to access grants and they were going to develop the Green Fund. In 2007, we are now hearing—four years after the Green Fund has reached millions of dollars—that nobody has accessed anything. That is why I am saying that they do not consider the environment.

When recently, in La Brea, they wanted to sell a contract to ALCOA to build a smelter plant, the people were clamouring and the Government in its arrogance was saying it would do what it wants. There have been certain promises made and the budget is a promise. They are saying, again, they will do all that for us with this money and at the end of the year they ask for more money and there is a set of undelivered items. Every year, Mr. Vice-President, there is work not completed or not even started.

When you do an analysis of the PNM's track record, they have completed about 10 per cent of the work promised over the past five years. So you find now that there were plans to develop smelter plants, the National Policy in 2006 talked about industrial development; plans to break the transport bottlenecks. The Minister of Works and Transport spoke about converting the Churchill Roosevelt Highway into six lanes. The space in the highway is finite and they have removed

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the shoulder to make more lanes and they are now creating six lanes where there were four. If you look at the buying habits of people, they are buying bigger cars. So when you go down the road there is a “nearest to line” making sure that people do not cross the line.

The other thing is that the Ministry of Works and Transport has issued money to create pavements and there are no quality checks. Instead of the contractor measuring the work and building the pavements at the side, they are using a portion of the road itself to build the pavement because they do not want to spend the extra money to build the pavement because the road already has a foundation. What happens then is that after they have built the pavements, the roads get narrower. They draw a new white line so that when you drive your vehicle you bounce the pavement. People are on the side of the road, hands hit your side mirror and so on. That is what they call development, Mr. Vice-President. Those are the promises we are talking about and what they spend our money on.

There is no real development in this country. We have given these people our money. This administration has taken over \$200 billion and they have given only broken promises. Because of the broken promises, there is absolutely no credibility to this Government in terms of their policies. All paper planning has remained as paper plans.

We have the government of the day, for instance, talking about how they would deal with traffic jams and stating, since 2004, that they were going to build this interchange. What is interesting is the cost of the traffic jams to us. We did our calculations and we are looking at \$1.1 billion a year. When you are in traffic, there is gasoline consumption, loss of family time, in the gasoline, tetraethyl lead, an anti-knocking agent, is added, which causes brain damage, listlessness and crankiness. Those are the things that we are subjected to.

We are talking about moving the Churchill Roosevelt Highway from four lanes to six lanes and a massive transit system study, NTSS, priced at \$37 million.

**6.50 p.m.**

Mr. Vice-President, Sen. Basharat Ali raised this matter in the Senate and asked questions on it. The CMTS contract was for \$21 million and \$15.5 million was paid to get a paper plan. They cannot even get the paper plan right. What has happened is that we pay these contractors these fancy sums of money—\$21 million and \$37 million—to do a feasibility study for us, but a group of persons could sit in the ministry and critique it and decide that it is not worth anything; it is not even worth the paper it is printed on.

So, if we have that capacity, I am not going to hire any consultant. You could send out the officers from the Ministry of Works and Transport to do the feasibility study, we pay them, and save the taxpayers' money and do not be squandering our money. When we talk about this Rapid Rail Project—I know for the entire day we have been talking about the Rapid Rail Project—of US \$2.5 billion breaking up in terms of phases, this is what I want to highlight.

The fact that we are spending money or appropriating funds for these projects, we are claiming that all the factors and all the feasibilities have not worked out in terms of the project management, and the total keeps moving, so we are paying more and more. No one has ever built a rapid rail in Trinidad before, so how can we know the exact cost, that is what they claimed.

If they know about project management and they manage it well then they are going to insist—if you take the example of somebody coming to your home to put up a door and the person says \$50 or \$100 to put up a door, at the end of the day, the person puts up the door and you pay the exact \$50; you do not pay him \$125 if it is \$50. That is what is called astute management.

So, when the Minister of Foreign Affairs talks about astute management of their leadership—there is no evidence here—then what is that. Is it hearsay evidence in terms of it? They are definitely not taking us anywhere fast in terms of planning; in terms of the feasibility; and in terms of all this paper.

So, there are clear dividing lines between how we would manage the country. We do not have cost overruns; there is not an infringement on people's fundamental human rights. What you have is crime in this country running away; you have congestion on the streets; rampant corruption with cost overruns; lack of credibility; and high food prices with an overheated economy. So, the writing is on the wall. The days are really numbered for this administration. They have been weighted on the scales and they have been found wanting.

Mr. Vice-President, it seems that the Government is really clueless on how to manage this abundance. We really have an abundance from the oil and gas sector. In the time of plenty, we must have measures to save some money. When they spend there is no regard for the efficiency of the spending with the high cost overruns and that is what produces these spending.

Another thing that the Government has done is that they have formed 14 special purpose companies within the different ministries. These special purpose companies are called the executing arm. When you are handing over keys, you have the chief accounting officer which is the PS, and when the Permanent

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Secretaries come to the Public Accounts Committee before the Parliament, they are there for three months and four months, because there is a rotation by the ministries and that is used as an excuse now for not knowing what is happening. “I just reach here three or four months”; and that is happening.

So, what is happening is that projects are given to these companies, and the reason they are set up that way is that our legislation says that they should have the tendering process through the Central Tenders Board, but they bypass all of that because they want to expedite things, and so these special purpose companies spend the money and there is no accountability and no monitoring unit within the ministry. The Ministry is not equipped to monitor these people to go and check to make sure that things are happening.

Now, the Permanent Secretary who is the chief accounting officer becomes a rubber stamp. The ministry becomes a rubber stamp to rubber stamp this amount of money and send it out. So, what is happening is that there are cost overruns to the country and this excessive spending and runaway inflation of 10 per cent. What runaway inflation does is rob the poor working class. So, when they come and talk about “love” and they care about these people, the working class who gets this pittance—small increases of 15 per cent back pay, \$3,000, and a dollar increase in the minimum wage and so forth—all of that will be eroded by January 2008. So, they are giving you with one hand and then they are going to erode all of that.

In fact, in 2005 they gave the middle class in the society a tax break. When they gave the middle class that tax break they adjusted the personal income to \$60,000. Everybody was happy and people got money to go home with, but then they overheat the economy and then the buying power of it—if you had a mortgage on a floating rate, you found yourself poorer in terms of it. So, when they give you on one hand they are taking it back. Basically, they are juggling the finances rather than developing it. This is where we need to develop tourism.

Tourism is in decline and manufacturing is in decline regardless of what they claim. We have so many exorbitant charges and the high inflation rate has prevented us from being competitive even within Caricom. So, when we talk about CSME and Trinidad and Tobago through the Ministry of Foreign Affairs—presently we allow university graduates to move freely.

In another time, I was actually a member on a committee with the Ministry of Foreign Affairs, and I was arguing that we trade persons to come in terms of opening up the economy and I am for that. If you do not have controls in terms of

firms—it is the firms in the country that make the country competitive and the model really is to develop the onshore sector with the manufacturing sector. If we want skills to come in—presently we are losing that competitiveness.

Now, the economy is more dependent on oil and gas than before. What they are saying is that you had this economy and you get this cash injection so take the money, save some and grow the economy incrementally and control the monetary and fiscal policies. They are not doing that. They could save the money.

**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. T. Gopeesingh*]

*Question put and agreed to.*

**Sen. R. Phillip:** Mr. Vice-President, thank you. So, we are really in the middle of this Dutch disease and we really need to treat with the symptoms that we see like the runaway inflation; the economy at full capacity. We are not diversifying and so, we are now more vulnerable to economic shocks by the variation in prices. All this is happening and the Government would not put measures in place to stabilize this economy.

Mr. Vice-President, I do not know if they do not understand how to manage this oil and gas economy. They do not know how to treat with the money; they are just having a good time wasting and squandering it, and when the money is finished we would be back to where we were. This is why I said we have not learnt anything from the 1970s. Our first oil boom was from the 1970s to 1983. We had a lot of money here and one of the heads of government in the Caribbean said that this money passed through this nation like a dose of salt. This has left us with structural adjustments and cuts in public servants salaries and similar conditions will come at the end, because there is not going to be any reserves or any gas to develop this country if we continue to waste our money.

So, we are saying to restore the process of economic diversification so that the onshore sectors in Trinidad and Tobago will create a core advantage. If we are talking about agriculture as the Minister in the Ministry of Finance, Sen. The Hon. Christine Sahadeo talked about, like the processing—definitely you have to grow crops because there are seasonal crops and you have to create the value added in terms of processing. That is the dilemma in the oil and gas sector.

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Persons who have managed this oil and gas sector—we bought out some old refineries that deal just with heavy crude. All our processing in terms of downstream industry—the oil goes up the eastern seaboard and they process—we buy back in terms of lubrication additives added to our own oil at exorbitant prices. It is the old colonial idea of selling your chocolate, rum, and they are blending it in England and then you buy it back at high prices. Mr. Vice-President, we have not moved away from that.

When we talk about developing plastics and so forth, nobody in Trinidad is developing the plastics. It is still the foreigners who are coming here—we say it is foreign direct investment—and, at the end of the day, they sell you a shell and something that is not financially viable, because they plan for long term. Sen. The Hon. Danny Montano said that you do not plan for 15 years in terms of long term, and this is so because a politician lives in a five-year period. All political parties when they come in, the first year they create a social net for the people, and by the time they reach the fourth and fifth years they would do some macro projects, so it looks visibly present as they move into it. That is basic thinking.

Mr. Vice-President, what you will find is that they live short term, but the country really needs some long-term planning. We need to place the emphasis on infrastructural works on the Government, and to ensure that there is proper electricity.

People are complaining about blackouts now because as you add more houses to the grid there is the incapability of the power generation. What we have done is sold PowerGen. So, we have sold the money making part. We gave them all our natural gas and sold the money making part which is the power generation, but we kept the part that is revenue loss which is the distribution part, and that is astute management.

So, what you find is that the very nature of the energy sector is that you have a jobless growth. The energy sector would just provide employment for 5 per cent of the working force, and people will have to get jobs somewhere else. In times of plenty, what they have done is to use it and give handouts, but when the money finishes, what is going to happen? So, we need to create meaningful jobs; jobs in which you have skills development.

When we talk about universal primary education and secondary education, and the emphasis now is to go back to early childhood centres—there are big ads in the newspapers that they are building 42 centres and some are opened and so

forth—it takes about 30 years to develop a professional. So, around 35 years you get a full-fledged professional who is really having some expertise. So, we do not have 30 years to develop.

When you have a planned economy—I am thinking about Singapore—what they did in Singapore is that they used the brightest for the state and expanded their capacity. So, an example like that is that they did the manpower planning, and decided how they were going to get to the vision that they wanted and they engaged themselves in a longer term planning. What we are seeing in terms of this planning is short-term planning. So, while we are saying that we want to increase the number of persons who are accessing tertiary education, Mr. Vice-President, do you believe that we still have six out of ten persons writing the CXC examinations and not getting five passes? You have eight out of ten students not passing Maths and English. Yes, we are creating the spaces, but if the students are not passing the basic exams, then how are they going to access tertiary education? That is just a fallacy.

When one looks at the number of students who cannot read at the age of 11 years, one finds that in doing a reading test with that child, that child is reading at a Standard 2 or Standard 3 level in a primary school, and that child has passed through the system.

**7.05 p.m.**

So, there are some fundamental problems, as they say. We need institutions in this country that will provide services to the people of Trinidad and Tobago. We do not need big budgets, because the way in which they want to solve these problems is to keep throwing money. They throw money behind the problem with the hope that the problem will manage itself and solve itself. But the management of the whole stabilisation of the economy is wrong.

So, what is happening and is very frightening, is that you need to control this cost of living; the escalation in food prices, else more and more food will be falling out of the poor man's basket. So when the poor man—Sen. Mark was talking about sardine—goes to buy he cannot get these things. A Sunday meal would have to be neck and back rather than in terms of—That is the reality that is facing Trinidad and Tobago in terms of this.

The Central Bank inflation rate is going to be at least 10 per cent and with the Government's spending to finish these projects you find that families now, with the food rate between 23 per cent and 25 per cent, everybody is claiming that they are going to try to import, nobody is trying to develop the economy. As we say,

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the modern states—simply you have to develop your onshore sector; there is no substitute. You have to develop the capacity to feed yourself. What you find is that you have an economy that is hydroplaning; and the hydroplaning is the technical term when you hit your brakes on the highway and you try to stop and you are just skating and there is no control and that is exactly what is happening. The budget in this country is keeping everything buoyant; it is producing some false indicators of growth, but the people are asking if it is a love thing, where is the love. The people are not feeling the love. So, daily people are writing articles in the newspapers, asking the Prime Minister to run something; give us the money here.

So there is additional pressure on the Ministry of Finance really to allocate money for different people and you find that the sectoral developments are not happening; there is no credibility in terms of the development; there is no management in terms of future thinking, pension plans or compulsory pension plans for public servants, where you find that from the Consolidated Fund there is going to be an added burden. So every year there is an additional burden for the Government, because the fact of the economy is that a large per cent sometimes 40 per cent, 50 per cent just has to go in terms of wages. You really need to get back to a commitment of saving; there is hope.

As I wind up, Government has to relook at their projects; they have to scale back this excessive spending and really ensure that we are getting value for money in terms of projects completed on time.

They need to reconsider the budget in terms of the commitment of \$55 and put more money in terms of savings for the later days. If I put this in an individual base, you have your productive capacity when you are a young person and if you eat and drink everything you have and you do not save anything, when you become an old man you probably would not even get a place in the poor house. *[Laughter]* And that is exactly what is going to happen with having a good time and everybody is having a good time at the taxpayers' expense and we are not getting anything. People still cannot get a bed at the hospital. Recently there were complaints about pregnant women who went—the future prime minister of this country—to some hospital and his mother did not get a bed, she probably had the future prime minister somewhere on the floor in a corner. That is the reality in a country of plenty.

This Government has not really managed this economy well. We need to restore the economic diversity; we need to get the culture of saving—and I



mentioned the Revenue Stabilisation Fund—and we also need to have some basic plans in place. We need to view the infrastructure that will help with the economic diversification.

When we talk about the network of roads and so on, we need to have a big land use plan, agricultural plan. We talk about creating a new town in Wallerfield in the budget. If there is no activity there; no industries for employment, you cannot just put houses and come and boast that you built 26,000 houses and you want people to go there. People still have to leave there and go somewhere else. So, what is happening now is when people apply for a house they still want to get their home in the East-West Corridor, where there is a better traffic network as opposed to some rural areas where there is congestion. We need to have that.

We need to have the proper planning in terms of a transport development plan and while we have paid an exorbitant amount for this transport plan that did not work and we have not gotten the paper plan; we need to get it right. We need to get the environmental policy and industrial development plan, so we are looking at saving our environment. Then we definitely need to get a culture of maintenance. We need to factor-in, into the tendering process that, when these people sell us these equipment—like when I go to Mount Hope and I see what the French people did, when you go there, everything is running down. So, no way do we ensure that there a training component, training people to use the equipment when we buy expensive equipment for our health sector—a maintenance factor.

How do we deal with the everyday issues of potholes in our roads; we are hearing about new technology for that. Schools; every school term opens—school opened today and there are always some schools that are not ready; leaking roofs and problems—

[MADAM PRESIDENT *in the Chair*]

**Madam President:** Senator, you have one minute.

**Sen. R. Phillip:** Madam President, as I wrap up my contribution on this budget debate, I want to reiterate that this administration has really failed miserably in understanding the uniqueness of our economy. They have been lucky in terms of being able to get a lot of money and what they have done is to monetarize our wealth in becoming very cash rich and paying exorbitant costs at the taxpayers expense for these projects.

With that, Madam President, I do thank you.

**Sen. Dr. Eastlyn Mc Kenzie:** Thank you very much, Madam President. I want to begin by congratulating the parliamentary staff for the award given to one of their former colleagues, the late Miss Dawn Dolly. [*Desk thumping*] And I want to say to the rest of the staff that at least it is a recognition of the hard work and long hours they put in to serve us.

I would like to begin by congratulating the public servants who assisted in preparing all these documents; the long hours, the commitment, the dedication, the patriotism and everything that they brought to the table. So I would like to say to them, thank you and congratulations. I would like to especially extend congratulations to the permanent secretaries and I noted with pride, the advertisement or should I say, the publication in the newspapers by the Government Information Service and the Ministry of Public Administration and Information, publicizing the names of all the permanent secretaries. I was very happy and noted with pride that the 23 ministries have assigned to them 28 permanent secretaries, 19 of whom are women.

I noted also that the only ministry with two females as permanent secretaries is the Ministry of Public Administration and Information. That to me, Madam President, says a lot because it fills me with a lot of hope for a very high level of implementation of the budget proposals. It tells me that these permanent secretaries who were able to rally their forces of junior officers around them to put together these documents; they know, inside out, the features of the budget and I think they would be the people most able and capable, after the withdrawal of the politicians from the scene, leaving the permanent secretaries and their various staff members to carry out what we have proposed in the budget. So, let me say that I urge them to be fearless, to tell them that they are not on a popularity stint, they are on a professional course and I say to them, go bravely and do what you have to do.

Madam President, I want to just look at the budget statement as made by the hon. Prime Minister and Minister of Finance from page 50. And there are some comments I would like to make about many of the headings that we have there. I know that this is a money Bill; I know that we in the Senate cannot adjust or amend anything, but I think that we in the Senate can offer suggestions of how things could be done and what possibly to avoid.

I am hoping very genuinely that the Members of the Government would listen to the suggestions that we make. I would like to say to Sen. King and Sen. Ali, thanks for the contribution that they have made. They have enlightened me on

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areas that I am not strong in. I want to say to Sen. The Hon. Arnold Piggott that I was very impressed with his spirited delivery; I cannot say that for everyone. [*Desk thumping*] [*Laughter*]

Now, Madam President, I go to the budget statement and the first area I looked at, is the area of the national insurance pension increase as of January 2008 and I want to say to the Government, thank you on behalf of all those who will benefit. Thank you very much indeed.

I go next to the Senior Citizens Grant, and I want to say to those permanent secretaries, some people get horrors to get the money. They apply and you would not believe the sort of maze they have to go through to access the grant. And I am suggesting that some sort of policy statement be made or some sort of pull-out be put in the papers saying to the public, to access the Senior Citizens Grant, this is what you do and these are the documents you have to produce. This is what will—

**Sen. Sahadeo:** Senator, will you give way?

**Sen. Dr. E. McKenzie:** Yes, I will certainly give way.

**Sen. Sahadeo:** Thanks for that suggestion. But actually we are just in the process of discussing this because of the increase in the ceiling, et cetera, of all of these arrangements and an advertisement, not an advertisement, but really a pronouncement will be made in the newspaper and just as you indicated, and we fully recognize that some work needs to be done.

**Sen. Dr. E. McKenzie:** Thank you very much for the assurance and I am saying that it must be in the form of a pull-out, because you see how I pull this out and I have it; I will never get rid of it. I was only sorry that they did not put the phone numbers. So, I am saying that is what I was talking about, giving suggestions and having people respond in a positive way.

**7.20 p.m.**

Madam President, I go next to the increase in the minimum public service pension and I say to the Government—again, thanks on behalf of those people who have retired so long ago. They have lived so long and now are in their old age—some of them are over 80. I know people who are 86, 90 years old. Could you imagine what their salary was when they retired 36 years ago? What was the gratuity compounded on what salary? It comes as if they are being punished for living long, so let me say, thank you very much and remember those were not the days when you had so many opportunities for investment. Investment was a

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strange word to those people a long time ago. They would put a little money in the bank and after they would put it on a fixed deposit. There was no Unit Trust Corporation; there were no mutual funds and so on, so their options for investment were very, very small. So, I am saying to the Government, thank you, and I am sure that every public servant will be happy about that.

Madam President, I want to ask one little question and I am a little surprised that Sen. Ali did not ask this question because he is always on their case. What about the judges? This goes to the hon. Attorney General. I say no more.

**Sen. Sahadeo:** They are also included.

**Sen. Dr. E. McKenzie:** Good, thank you. I go to the next heading, Disabled Persons, and Handicapped Persons Grant. I have here something that I prepared and I said "Oh God put a hand", the pain to receive.

Madam President, I have been with the Tobago Council for Handicapped Children, as you know. You have visited us. I have been with the institution for the last 32 years. At the last annual general meeting of Disabled Peoples International held in Tobago, I was invited and I went. There was a 14-year-old girl who was creeping on the floor because she could not walk and I asked the grandpa who had brought her, because he was a member, how old is she? He said 14 years. Beautiful, cannot walk, cannot talk, anything. I asked him, "do you get a grant for her?" He said, "No, the officer said I am the grandfather and I am a retired fire officer, so I am not entitled to get anything for her." I know it should not be so and I am saying in your pull-out, put this. I told him, you tell me, I hinted it to the powers that be and I am hoping. I say these officers are probably following rules and regulations. They have no idea whatever of how much people go through, parents and caregivers, of managing a child that is differently able. They have no idea at all and I am saying probably some of them need to spend two days in these institutions with these children before they become really sensitive to the issues that we are talking about.

I say to the Government—and I noted that you have intentions of building a tech/voc centre for disabled persons and I am saying—train them. I want to give you an experience I had when I was in Washington, DC. I was at home one day and the phone rang and the voice on the other end was someone from a disabled company. They were manufacturing electric bulbs, potholders and so on and they were calling to say, would you buy some from us? They were marketing over the phone. You should hear the marketing over the phone, how long the bulbs last; how many hours; what, what, what.

I am saying that I hope that the Government would look at this tech/voc centre they want to build and train those people to do things. I gave them the same idea when I met with them at the AGM; I said, some of you could stay right at home, use your computer, use the telephone, do surveys, make your little things—because some of them could cook, they could do all sorts of things. I just saw in the newspaper a young lady who is a chef in one of the hotels doing pastries. She is the Assistant Pastry Chef and so on. So I am saying, let us train them; let us not have them dependent; let us not be giving to them; let us help them to help themselves.

Madam President, the Public Assistance Grant falls under the same category that I was talking about. The minimum wage. Thank you very much. Congratulations. I will tell you the trick. The trick comes from some employers. You have an employee who works from eight to four. Do you know what some of them do now? They reduced the hours. Instead of working from eight to four, you work from eight to two. So they cut off two hours and they actually end up getting the same money that they were getting before the minimum wage was increased. That is what some of them do.

You listen to them; their wage bill does not go up—many of them will do this. So they reduced the hours and the burden is the same for the employee because it is the same transportation money that they pay. Because you go home at 2 o'clock and you do not go home at 4 o'clock, does not mean that you pay less. So the expense is still the same and that is the kind of trick. And when you meet with the ECA you must tell them, “I understand that some of you are wicked. That is what you do to minimize your cost and to prevent someone who is working legitimately and expecting more, you cut the hours.” Madam President, I say it as it is.

Madam President, I am glad for the CEPEP. I have been to their graduation from training and I know that this is happening; and I want to say increase it. I have attended a graduation ceremony in Tobago of people who go to CEPEP. They go in the morning; they go in the evening to different classes and so on. Some of them are earning extra and they are managing their own. So I want to say to you, continue the training, make the training a strong aspect. I want to urge that you include in that training, whether they are learning a skill or not, put in a literacy programme attached to the skill. It is barbering, you have barbering English; you have barbering Maths; you have barbering attitude; so make sure that there is a component in there that takes care of not only the skills, but to carry the literacy programme.

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I say too, Madam President, for those who are going to get their little back pay, there is where the financial literacy unit must go in. People feel that financial literacy is for big bright mid-class public servants and so on, this is where you say to the employer or the contractor, get all your workers today, pay them for the two hours. We want to come in and tell them that even if you are getting \$300 as your back pay, save \$100.

In Tobago, the banks caught on that Tobagoians in certain areas like to give harvest—harvest do. You know what, the banks started to put up their signs in the bank windows, "Harvest Loan", so people will go and borrow \$1,000 to buy things for harvest. They dress up their house; they cook food and have all sorts of things, they have the harvest mood. I am saying when you are going to have the back pay, the UTC must be there; the banks must be there; the credit unions must be there to say, "Do not spend all, save some." This is what I am taking about.

I am saying that for this, you must use your slogans, use your skits for public education. People do listen, just as how people listen to the campaign slogans, the political slogans, they will listen to somebody coming out with little 30-second skits to say, how much money they have put in and how much they got in the end. So please, use every avenue possible that you could think about. Well, I know people spoke about the increase in the deposit insurance and so on, victims of uninsured drivers; I am not going there. I know people spoke about the cellular phones while driving, and the manufacturing centre.

I want to talk a little bit about the childcare facilities and homework centres—very good. I am hoping that Government departments—I know the Attorney General's department got an award for that last year and I am saying the banks are getting it because believe me, there is a need; as we speak there are workers in this parliamentary staff who have children. If you go down below the step, you would see them running up and down, "daddy, mummy" and so on and they could be properly engaged and occupied and I am saying that we should make that a very, very important aspect of our Government offices—well, I know the private sector is doing it.

Madam President, some years ago when I happened to be in charge of YTEPP, we saw the need and we trained the YTEPP people and during the holidays we kept children from 7.30 a.m. to 5.00 p.m. They did all sorts of things, remedial academic work in the morning, and in the evening arts and craft, and gardening. We even sold our produce to the parents. Going home, each child got their little envelopes

with their pay, for the lettuce, cucumber and patchoi that they sold. Drama, art, we took them out; they saw how people make farine and all sorts of things. Do you know how we started?

One parent—it was holiday time and she worked in an office and the parent came to me and said, "Dr. Mac, I do not know what to do with these children this holiday. School is closed and I cannot do anything. I carried the child to the office; the child took the Government stamp and stamped up all kind of documents." The child thought that she was helping. I saw the necessity and this is how I ran that programme for five years. Any given day you could have come in to that. You could have brought the child for a week or you could have brought the child for a day. If you had to go to the hairdresser, you could have dropped the child and we only charged \$5 and we ran that programme for about five to six years until I came to the Senate. That is how I stopped because I was there with them from 7.30 a.m. to 5.00 p.m.

So, Madam President, my own experience; I am saying to the Government, please encourage the government departments and so on to use this facility and to set up this facility; it is very good and I want to compliment the Government on that.

I looked at the returning nationals and I have one question. Is this for students also?

**Sen. Sahadeo:** [*Inaudible*]

**Sen. Dr. E. Mc Kenzie:** Well, this is not clear. I would not have asked the question in here, and therefore, you have to make it very clear and plain.

Madam President, I looked at the amnesty for late filing of tax returns and this is specifically addressed to the hon. Minister. I say it is good. I know a number of people will benefit, but I am asking two questions. I see that you have it in your budget statement, one of the other documents, the upgrade of Inland Revenue Department, it is so necessary.

My own experience three weeks ago will shed light on two things. One of them, I paid my income tax when I filed the return of 2001 in 2002. When I calculated it, I owed the Government. On April 15 when I filed, I did not wait for April 30, I paid what I calculated; I got my receipt and I kept it. I think I brought this up with the hon. Minister of Labour already. In 2005, I got the assessment to say that I owed the same amount of money; I think the difference in our calculation was 28 cents. So I got it and they said that I owed.

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I wrote a letter to them; I photocopied the tax receipt and their assessment and I responded. I said, "When I calculated this was that, I paid, here is my copy of the receipt. I got a letter again from that department saying, "We received your letter and we received a copy of the receipt, treat this as your indebtedness is nil." Okay. I filed other years' return. I am supposed to get a refund for 2004. I got a letter—I have it here with me—it says to me, "You owe this money from 2002, the interest is so and so." The next point I am coming to, "You owe health surcharge for 1995." None for 1996 and 1997. You owe for 1998; 1999; 2000; and 2001. The capital is so and so and the interest is so and so and we are going to hold your refund cheque until you pay this off.

That was two weeks ago. I got it about two weeks ago, so I photocopied all my stuff again and I went down to the collections department and I said, "Well, explain to me." I came here and got all sorts of documents and so, I want to sound a warning. The first warning is that I want the hon. Minister in the Ministry of Finance to say whether the health surcharge that is also like a tax is also a part of this thing that you do not have to pay.

**7.35 p.m.**

I warn my colleagues that if you are not employed elsewhere and your only source of income, like me, is the Parliament, ask the Parliament to take out your health surcharge as long as you are not 60 years old. They are going to tax you and ask you to pay the interest on it.

I asked why I was not made to pay for 1996 and 1997. I went back to my TD4 for 1996 and 1997. I am one of those old people who like to keep things. The pensions department that pays me a pension for my public service employment took it out in 1996 and 1997, but I do not know whether the officer changed or whether there was an instruction or whatever, but they stopped taking it out. I did not bother with it. I did not even know that I had to pay.

Madam President, if you hear the excuses and reasoning that I got downstairs. The accounts department does not know what to do; nobody knows what to do. By the way, they still have to settle the tax matter with my original receipt. They asked me to bring the original receipt; I carried it; they seized the original receipt and gave me a copy to say, "Yes we have seized your original receipt for the taxes that you have paid."

Your right hand "doh know" what your left hand is doing. One man wrote to me and said, "Yuh doh have to pay; this is nil"; a next one wrote to me and said, "If you doh pay dis money, we are going to hold you tax refund." I am only



saying this to say: The confusion, the ambiguity and everything else that is happening must be straightened out. I am warning my colleagues who are not yet 60 years, if you do not pay health surcharge and nobody is taking it out for you, pay the money, please, because now that they are going to give us this little thing when we retire, gratuity, separation allowance or whatever it is called, they are going to hold it.

I do not know whether the hon. Minister in the Ministry of Finance has health surcharge as one of the areas where there is an amnesty. Think about it and ask your Chairman of the Board of Inland Revenue, because when I called the office they could not tell me. They said that they did not know. Please, hon. Minister, talk about it.

Concerning the departure tax, I know they have to take some time before they work it out.

There are a few things I want to talk about in addition to what I have just said; one of them is the question of education. I am aware of all that is being done in education. I congratulate the hon. Minister and her Ministry for all that they are doing, but I want to make a little reference to the part of the Pantin Report of 1992 when they were going to remove the Common Entrance Examination. The year 1992 they looked for the scores. Madam President, 30,960 children wrote the exam. I am on page 46 of the Pantin Report. In those days we were clamouring that we do not have enough spaces for children. We started to buy spaces and do all sorts of things.

They had their grades A, B, C, D and E. The subjects were math, science, English, social studies and essay. The first 100 children, all As; up to the next 3,000, two As, three Bs; next 6,000, four Bs, one A; 9000, Cs and Bs; 12,000, E, C, D, B. All the rest after the 12,000 failed. Instead of just those 12,000 children going into secondary schools, out of the 30,960 children, we put all the children in, as long as we had space. We were playing a numbers game. That was in 1992.

Listen to what the report said in summary on page 47:

"A careful examination of the students' scores forces one to come to the following very disturbing conclusions:

- (i) In Mathematics, 51% of the candidates gained a mark of twenty-three (23) or less out of sixty-five (65). This suggests low level of mastery of the Mathematics syllabus.

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- (ii) In English, 51% of the candidates scored twenty-three (23) or less out of sixty (60). Again a large proportion...
- (iii) In general, approximately 42% of the candidates performed poorly in every aspect of the syllabus tested."

I would just want to make a final statement on it. On page 48 this is what they said:

"If this is the state of affairs when there is such competition for secondary school places, what, we ask, will be the situation when USE is achieved? What would be the purpose of transferring the bottom 20% of primary school students into secondary schools?

At the primary level the fact that well over 50% of the student body in Standard 5 are unprepared to write the examination is patently obvious."

That was 1992, 15 years ago; and we put all these E children into the schools. The problem of crime, AIDS and so on, most of the people suffering and committing is that band of 20 to 30, 19 to 30 years old; you trace it. Check the statistics.

Hon. Minister of Education, I congratulate you in keeping back the 30 per cent of students who are not ready. [*Desk thumping*] It is a little too late, but still, it is better late than never. The fact is, keeping them back alone is not the answer. You cannot just keep them back. What they do with these children is test them and not teach them. They do not correct the mistakes. How many people, how many schools, you have to monitor. Get your Permanent Secretary (PS), your staff and school supervisors to monitor. How many children under 30 per cent do you have repeating? Where are they? What are they doing?

You cannot have them in the Standard 5 class where the bright children are progressing. These children who have a problem of some sort are going to be facing the same mechanics they went through before. You have to ensure that they are monitored and that care is taken of those children, otherwise it will be the same thing.

Madam President, I sat and said, "This will not happen if we use the National Test in Standards 1 and 3 properly and if we follow up on the weaknesses that are discovered when the children write the test." The hon. Minister probably does not know that many of the schools play a game. When it is time for the national test tomorrow they tell the children who are not so ready, "Stay at home"; so they do

not write the test. If I were a school supervisor in a district, I would look at the returns they send to me every month saying how many children are in Standard 1, Standard 2, Standard 3 and Standard 4. When the National Test comes and I see that you have 25 children in this class, I will then ask, "How is it that only 20 children wrote the exam?" They have to monitor that and find out why some children did not write the exam.

In some instances they do not keep back the children, they let them do over the test. They work out all the tests on the blackboard and say, "All yuh do so", and they quarrel with them to do over the test. So they do a mock trial of the test and then they do the real test. They are fooling themselves. I am not saying that they are fooling you, hon. Minister.

That brings me to the point of how we judge schools. How do we evaluate what is happening in our schools? You cannot go on just who are in the top 100 in the Common Entrance Exam, who got nine ones in CXC, who got CAPE or who is in the National World ranking in Geography; that is not how you evaluate. That forms a part of your evaluation.

Let us look at the National Test for our schools. In the primary schools is where we have a lot of problems; let us find the reasons and correct them.

For the tertiary level, some persons have come to me long before any problem with GATE and asked, "Tell me, how do I know what is available?" I contacted the Minister's office and the secretary who answered was very, very nice and helpful. She sent me documents through the hon. Minister. He did not even know what was in the envelope and I was able to respond to those students by saying, "Here are the advantages; here are the opportunities; this is how you do it." They brought all the forms. This should be another pull out.

I have seen in the documents; I know they have it in there, about the importance of community sport. I say congratulations, please continue. When I go along in the evenings and in the night time back to the airport I see people using the lights in the Aranguez and Eddie Hart Savannahs. [*Desk thumping*] I feel very nice about that.

In my own villages I go around. On the storm night I was at Whim and there were boys on the basketball court and they had lights. If you go to Carnbee and Bethel it is the same thing. I am saying congratulations. But we need village coaches. We do not have village coaches. I work with a group of boys from the poverty reduction programme in football. Sometimes I have a whistle "round

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meh neck" blowing and the boys tell me, "Miss, when we wrong we go tell yuh when to blow." I do not know what I am doing, but I cannot get a coach. If we get a coach we will be able to organize street versus street football, sports and so on. It does not have to be community versus community; we could have a street versus street competition in football. The gangs will be sporting gangs and cricket gangs, rather than other things. So we could have this street versus that street; bring your side, boys and girls together in mixed teams.

I saw where you talked about the establishment of a symphony orchestra. I say go ahead; let us not only concentrate on pan, but on all instruments. We have people in this country playing the violin, guitar, tambourine, all the instruments. I see them when I go to the Indian Arrival Day celebrations and so on, and I am very, very happy.

I say to the hon. Minister of Legal Affairs that something must be done about the land laws: the Real Property Ordinance (RPO) and land titles. In June of 2000 we passed these Acts; the regulations are not ready they say. I was on a committee very recently and we handed in a report. I gave a copy to the hon. Minister, Sen. Kangaloo.

Madam President, if the document produced for the Inter-American Development Bank entitled the Land Adjudication and Registration Project is implemented, all the problems on land titles in the country will be solved. I know there is that document; the hon. Minister knows it; we talk all the time. We talk with the lawyers. I know there has been movement towards solving the problem, but we are moving too slowly. We are like a centipede putting on shoes. "One hundred shoes you have to put on." We need to speed things up; we are much too slow. Let us please look at the land laws; let us look at getting the titles going quickly. We are keeping back the progress of so many people and we are getting people in Tobago angry and angrier. I think that we need to hear something about that.

**7.50 p.m.**

Madam President, the janitors in our denominational schools, I remember bringing the point, I know that there has been some movement because despite the fact that I do not talk about it in the open Senate, I talk to the Minister very, very privately and I got a document from the hon. Minister of Education. I know that a lot depends on the boards and I am asking her please to see what could be done to ensure that the janitors in our denominational primary schools are treated just like the janitors in the Government primary schools. [*Desk thumping*]

Madam President, I know there is a problem where the excuse is that the boards recruit and these janitors do not go through the scrutiny of the service commission. If that is the case, why do you not do as you recruit the teachers? — they recommend and you interview and appoint. Why punish these people because they are working in an Anglican school, a Catholic school, a Hindu school, a Muslim school, a Presbyterian school, and somebody who works in a Government school is not. I think it is so unfair; I do not want to understand.

Madam President, I saw the intention to construct houses for the judges and magistrates in Tobago, the MET office, the licensing office and so on, so I am very happy.

Madam President, I am almost to the end. I saw talk of the need for the performing arts, the centres and all that they are going to do and I am saying that should be in our primary schools—I know they start from the pre-schools, the kindergarten, right up to primary and secondary. That is where we started when we were children. And we have our drama, our music and our dance expressions, our Boy Scouts, Girl Guides, Brownies, Cadets, Path Finders.

Madam President, I was so happy on Independence morning sitting in Shaw Park, 90 per cent of those who were participating in the parade were young people under the age of 30. The only people who looked over the age of 30 were those who came from the regiment, the coast guard, the police and so forth, and I felt so happy and so proud that there were our young people, the Girl Guides, the Boy Scouts, the Cadets, the Path Finders, the Boys Brigade playing their drums and marching along. I am saying this should be a must for every primary and secondary school. They should have some organization in the schools, some institution in the schools where every child could find a niche, whether in the performing arts, whether in sport or whatever, because there is a discipline that goes with it.

Madam President, what caught my attention in the hon. Minister Arnold Piggott's statement when he made his contribution—I did congratulate you in your absence, Sir—and I listened very carefully to the plans for the 2009 conventions. I said my God, in fact I only wrote it while you were talking. I know you take these people to Point Lisas and the Asa Wright Nature Centre and all these places and, according to the time of the year, you take them to the calypso tents and the pan yards and so on and I said to myself, we could have our own Broadway. We could have our place where these people who are coming in such and such a time for 2009 could visit.

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You have your hon. Minister of Culture and Gender Affairs, communicate with our drama groups and say, “This is the kind of international audience we are going to have in 2009, could you do a production?” We are saying when you come here you are going to see the play “*Waiting for Godot*”; you are going to see this. You send the proposal to them and the theatre will be there. Because let me tell you this, “we ent worse than anybody”, we are second to none when it comes to the dramatic arts.

From now if you tell the Little Carib, the Strolling Players and the National Drama Association of Trinidad and Tobago that we are going to have all these people coming in, they are going to select something that is relevant and appropriate for an international audience and have it running for this time and that time. My God, we would be so proud; we would not only be known as the energy capital and whatever capital you were saying we were; my God, we would be known as the performing arts capital, the dance, the drama, the music, the singing and the orchestra and the pan and everything, and we will be selling a cultural package.

So, I do not think I will die before that but I am certainly going to look to hear whether in the package that we are offering these people, we are going to find an element of the culture, the performing arts culture. We have different types. Our culture is our way of life and it includes much—our clothes, our thinking, our education and everything else, but I am saying I will be extremely happy to know our National Drama Association, our music, our singing and our dances and all of that will be on show and our people will be welcoming and hosting at our theatre people from abroad.

Madam President, let me say that no budget could be perfect and no budget could please everyone and I am saying that when we speak in a budget debate especially on the Independent Benches and I know on the Opposition Benches, we know that we cannot change things, but our hope is that Government will listen; Government will weigh what we have said and I am sure that not everything we say will find some sort of merit with you, but whatever you find that is good, applicable, relevant, appropriate and feasible to implement, for heaven's sake and for the good of the country, please do.

Congratulations again to our permanent secretaries and our hard-working public servants. Thanks to our parliamentary staff; we pledge not to keep you till any wee hours of the morning during this week so you would get home to your families safely.

Madam President, I thank you for allowing me to speak.

**The Minister of State in the Ministry of Science, Technology and Tertiary Education (Sen. The Hon. Satish Ramroop):** Thank you very much, Madam President, this is a great honour to speak in this House on this budget. It is my fifth opportunity to speak in this honourable Senate on a budget.

Let me first of all congratulate the hon. Prime Minister on another good budget—even though some Members on the other side do not seem to think that way—and for being focused with the Vision 2020, not just putting a budget in place for this year, but continuing from 2002 to here.

I want to focus on the fiscal measures within the Ministry of Science, Technology and Tertiary Education and also some achievements of the Ministry. Before I do so, Madam President, I just want to make a few comments. In the beginning of this debate when I came to this honourable House, I was really expecting a real quality debate and I was looking forward to a real good contribution from Sen. Wade Mark, seeing that he normally leads the Opposition on what they think of the budget and what contributions they normally would make towards the budget, showing the other side or giving some ideas or maybe an alternative.

I must say I was really disappointed. I cannot perform the antics that are done by some Members or even the hon. Senator, [*Interruption*] but he talked about squandermania, entrepreneurship, corruption and on this side we are always accused of sleeping with the bandits and criminals; that this Government is like that.

I am part of the Government, Madam President, and sometimes I take it personally when he says that. The only person I sleep with is my wife and she is not really a criminal and I feel really odd sometimes when they talk these things that we are corrupted, because I am in the Government also and when they say the Government, *carte blanche*, is corrupted, I am also accused of being corrupt and sleeping with the criminals and all these things. I really feel hurt in some way.

I want to reflect on Sen. Cropper when she asked, and you also asked today, Madam President, to restore the dignity of the Senate. When I came in here in 2002, I really was moved to walk into this Chamber. I felt honourable; I felt as if it was something that we looked forward to, to serve our country. And I mean really, at this time, when we have Senate, it is something I dread—to come to the Senate—and it is only because it has degenerated because of the contributions. I really thought that the contributions coming out of the House today in this debate—because the Budget really touches the lives of the citizens of this country

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and it has continued with the contributions and the budget presentations from 2002 onwards. There is continuity and there is development that took place and I cannot understand why some Members cannot see that.

We just heard from the last Senator, Sen. Dr. Eastlyn Mc Kenzie and she gave her comments. She congratulated where there was necessity for congratulations and then also she commented and gave suggestions and I thought that is what we wanted. While she was doing that, I saw Minister Christine Kangaloo together with Minister John Jeremie SC discussing what she was saying and they were taking note to address the situation. I saw Minister Sahadeo taking note of some of the measures. She even got up and responded so that not only the Senator, but persons viewing would understand what is happening and they would have clarity also.

I thought that this was something we could get out of this budget, so persons outside there waiting to hear the other side getting the objectives of the decisions taken by this Government, but there was nothing. And, Madam President, this is an election year so people are looking for their alternative and if there is none, where are they going to turn? You could understand why we had a successful meeting just recently and people are coming home, coming to the People's National Movement only because there is no alternative. [*Desk thumping*]

Madam President, Sen. Ronald Phillip also, when I saw Ronald come into this Senate and Sen. Dr. Glenn Ramadhar-Singh, we were looking for some really good contributions coming. I know sometimes the politics is really to take a side and as a result of the contributions to the budget, we have to give something which is negative, we have to oppose it. I mean if the Government say well, the bull does not give milk; they will oppose it and say, yes, the bull does give milk. They just have no choice; they have to oppose it and I thought that we would get some good contributions.

Madam President, first, Sen. Ronald Phillip talked about crime. We "eh" doing anything for crime. There are so many measures and there are so many things that are happening within that portfolio, I am certain that Sen. Martin Joseph will talk about that. He talked about congestion on the roads. I mean, the Minister was here; he spoke a little bit about it. In his contribution also, he talked about it. On TV just two days ago, there was an hour's presentation on what is happening.

We hear about the interchanges; we hear about how many buses are being purchased; we hear about the water taxis; we hear about all the things that are taking place with respect to transportation and to ease the congestion. Now, if we did not do anything like that, Madam President, "he ain't do nothing at all".



You take charge. You decide the parameters that you work with to decide that you are going to improve the bus service so maybe you could leave your car home and you could take a bus—less congestion. The Minister also announced that from next month, the water taxis would be in operation. In half an hour you will reach into Port of Spain. I come from South so I know how hard it is. If I have an opportunity, I will park and ride the water taxi. There are opportunities that the citizens of this country are getting to ease the congestion, yet the Senator will come to the Senate and say we are not doing anything.

I mean it is difficult. How come Sen. Dr. Mc Kenzie did not come and say we were not doing anything. She congratulated the measures and the one she had a concern with, she shared the concern and she gave a suggestion and the Ministers noted it. Madam President, only when you are in the situation then you will understand the circumstance. They say “who in the shoe know how tight it is” and we will have to make decisions. When we come and debate like this, we expect to hear some ideas and some alternatives to the decisions made by the Government.

#### **8.05 p.m.**

He went on to talk about food prices and we just had a food consultation. Everybody heard about it. Many decisions were made at that consultation: the grocery owners; the Chamber of Commerce; expertise in the various areas mentioned that it had nothing to do with the Government, but still, the Senator would come to talk about the Government not doing anything for food prices. When they talk like that and the citizens out there hear them, what is going to happen? There is no campaign, you know; they are doing the campaign for themselves to discredit themselves because there are educated people out there now and they are understanding, because they read; they look at the television; they read the newspapers and they are analyzing for themselves.

He went on to talk about corruption and the first thing he spoke about was the airport. I mean, you know, “pot calling the kettle bottom black.” How could you do something like that? Tell us what to do then! You are saying every action we do is a form of corruption. Then what should we do? What is the alternative? What are the measures we have to take? And let us solve them in that way. But no suggestion was put forward. All they say is that we are corrupt.

He went on to talk about housing. “Is who you know to get a house.” Minister Dr. Keith Rowley always mentions the procedure for acquiring a house. I can give you a personal example. Years ago when I wanted a house, my parents also told me I would not get a house and I never applied for one because the thinking was

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that I would not get a house. But if you do not have a ticket, you do not have a chance, so if you do not apply, you cannot get a house. There are criteria and some people are not pursuing it. Some people are not qualifying for a house. Sen. Phillip, of all persons, sat in the same committee meeting with the Ministry of Housing and I raised the question: “People are saying this; you tell us what the procedures are.” The committee even asked them to print it in the newspapers and let the people know. And in the newspapers you have a centre page pull-out on how to apply; where to go; all these services from the Ministry of Housing and Development. [*Desk thumping*] Yet, the Senator will come and say “it is who you know”.

I applied for a house also in my incarnation before becoming a Minister and let me tell the goodly Senators here, it is only last year that I received information from the Ministry of Housing and Development saying they acknowledged me and they want to know if my information is the same, not realizing that I am a Minister of Government now. I know Minister Sahadeo; I know Minister Rowley, how come no privilege was given to me? But we sit here and we talk because we have a hole in front of our face.

But what we do is mislead the innocent citizens who are desirous of having a family and owning a home and when they listen to you, as a parliamentarian saying that, and if you are in the Senate and sitting together with us, then it is so. So we mislead the citizens and some of them who are desirous of owning a house will never know how to do it, because all they will say is, “you cannot get it; it is who you know; you need to have a party card; you have to know somebody”, and it is not like that. Really, if it is like that, I do not know about it. Yet, the Senator sat with me—Sen. Ali was there—and it was outlined, and for the Senator to come—I understand he is in Opposition, but still, why come and mislead the Senate when he sat in a committee.

They talk about there is nothing in the hospitals. We understand there are circumstances. We cannot do everything at the same time, but the hon. Minister of Health is doing his best, with the support of the Government. You will remember some time ago I was absent from this Senate for a while because I was sick. On a Tuesday coming to the Senate—and this is personal—I got sick on the highway. I was driving myself and I capped out on the highway. I parked there and my wife came and picked me up. We returned home and I went to the Freeport Health Centre, because there is a term that we always say, that the Prime Minister does not go to any of the facilities, or the Ministers, when they are sick, they fly out.

I decided to do it a little differently. I went to the Freeport Health Centre and I really got fixed up there. There was a foreign doctor—I cannot remember his name now—and a Guyanese doctor and they have been serving here for the longest while. The passion that they had and the service that they gave to me, I was really amazed. I left and went home. Later that night, around 2.00 a.m., I became ill and I went to the Couva Health Centre. I met the cleaner and he told me to take a seat and someone will come to me. I sat there for about half an hour. The person at the window was sleeping right there. She did not bother with me so I sat there waiting. Then someone came and asked me what my problem was; took me in a room and we went through a whole questionnaire. It took me about 15 to 20 minutes. I am sick, cannot function, but we go through the questionnaire for about 20 minutes. Coming to the end of the questionnaire she asked: “What is your profession?” Then I said that I am a Minister of Government. Well, she rocked back in her seat at that point in time. She completed immediately and asked me to go back to the waiting room. I returned there.

All this time—I had capped out at home, you know, so I came there with my wife. And I sat there. After 15 minutes she came back and said we could go into the room and for me to put on a robe. My wife accompanied me to the room. When she went there, they put her out. They said she could not be with me. I mean, I really could not hold up myself; I was really weak. I sat there and they did ECG and all the other tests then left me lying there for some time. An hour passed and I was really ill at that time. She then called me and said the doctor was in another room down the corridor, to walk down and take the second block. I got up and walked down to the second block.

When you go in the room, there is a high counter as if you are in a bar. The doctor is rocking on a chair on that side; another female doctor on this side looking at television and the same nurse who was with me, on the other side. He took up the paper: “You is a Minister? What you doing here? Why you ain't go to one of those nursing homes? You doh need to come here.” And he went off. He did not ask me what I was suffering from; what was my problem; what is my concern. And recently when we had the debate here on health and they were talking about UNC doctors, and this doctor, you understand why sometimes we have to term it that way.

This is my example; this is personal. What about the other citizens? If I am a Minister and I am being treated this way, what about the citizens who are going there for treatment? Are we to be blamed? Did Minister Rahael tell them I was

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coming there to treat me like that? It is not like that. It is the situation. Even though measures are put in place to improve the circumstances, this is what we get, to show that the Government is not effective; that the system does not work.

That is a new health centre that they boast that they built a hospital. They removed it from one place to another and this is the service we are getting. I left the health centre and went to a nursing home. Do you think I will ever go back there? Sometimes it pains me when I am sick, to go to a local doctor, because we do not know who is who and what kind of treatment; and what injection you may get at the time. I will come to you, Madam President, next time. [*Laughter*] I will come to you. I go to Dr. Gopeesingh also. I must compliment him. My mother was very ill recently—[*Crosstalk*] Not me; my mother, I said. I did not go to Sen. Dr. Gopeesingh, but he assisted. [*Laughter*]

Madam President, he went on to discuss the special purpose companies not doing anything; he went on to talk about the increase in the minimum wage not doing anything; that the students cannot read. Thanks to Sen. Dr. Mc Kenzie who replied to that remark and I am certain when Minister Manning makes her contribution, she will tell them why some of these students cannot read. You will remember, Madam President, that at one time it was education for all, so whether you could read or write, you are going to a secondary school, and you would realize from that time to now, what is happening. Crime is worse in schools; the level of education has deteriorated because they were not ready for that level of education. When before they would have gone in a different class—we have the problem. This is why, in the Ministry of Science, Technology and Tertiary Education today, there are so many programmes to cater for those persons who have dropped out.

Madam President, I know I am the last speaker and we should have finished at 8.00 p.m., but I want to speak a bit—because we do not know what will happen—

**Sen. Dr. Saith:** You have time.

**Sen. The Hon. S. Ramroop:** Just for the Senator, I want to read something that is being circulated to every citizen of this country. It has to do with Vision 2020 and what this Government is doing. It is not that we are hiding something; it is not that we are just functioning today, a short-pants man will come and talk to me and we decide to do something in the Ministry. We have a plan. Vision 2020 is a plan and each Ministry and each Minister is guided by that. The budget of this

year is a continuity of what has happened in 2002, 2003, 2004, 2005, 2006, and 2007. I just want to read it for the benefit of all citizens here and who are listening:

“We are in a very dynamic period of our history in which every national of Trinidad and Tobago can have an opportunity to contribute towards our national development.”

Every citizen in this country can have an opportunity to contribute to our national development.

“Many of you will be aware of the Government’s vision that Trinidad and Tobago shall achieve a level of development equal to that of developed country by the year 2020. Some of you, on the other hand, may still not know what Vision 2020 is...”

I am certain Sen. Ronald Phillip and some others do not understand Vision 2020.

“I wish, therefore, through the medium of this letter to alert every household in Trinidad and Tobago of the wonderful revolution that is currently taking place in our beloved country. I encourage you to join with us in the process of attaining the dream that Trinidad and Tobago shall become a society of which we can be proud and a place where we choose to live and raise our families for successive generations.”

Madam President, it says:

“The core of Vision 2020 is achieving a higher quality of life for all. Vision 2020 embraces the needs and aspirations of all citizens—our children, our youth, adults, our elderly and our physically challenged—to enjoy a more fulfilling existence and a comfortable life.”

This is what it is all about. It is not about one sector of the community or one section of the country; it is for all citizens of this country to have a better quality of life.

“Vision 2020 is not just multi-storied structures, impressive bridges and new roads, because infrastructure alone does not constitute development. Vision 2020 is essentially about improving and empowering the people of our nation. Vision 2020 is about ensuring that the system of equity prevails in society and that everyone has an equal opportunity to benefit from quality education, an efficient health service sector and an efficient social service framework, and it is about having the freedom to move around the nation in relative safety and security without fearing harm to life or property.”

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This is what it is all about. It continues to talk about what we are doing as a Government; the achievements and how you could benefit to improve your quality of life. It is not only for PNM supporters; for East Indians, Africans or Chinese, it is for all citizens of Trinidad and Tobago to understand and let them know that they have a role in ensuring the development of the country in which they live.

I want to move on to the Ministry and I choose to talk about some aspects of the Ministry's programme. I did not want to do it in a speech form so I brought fliers that we distribute to every citizen in this nation, so when I talk about it, it is not for me; it is not that I am talking from a prepared speech that this is what we are doing, because many times we hear that there is discrimination taking place in the programmes. Unlike what Sen. Phillip said, that it is who you know, these leaflets we have for all the various programmes are printed and distributed all over the country in Trinidad and Tobago. You just heard Sen. Dr. Mc Kenzie say that she called on Minister Abdul-Hamid to find out about GATE. She got that information and was able to help the students who had a concern with it.

### **8.20 p.m.**

Madam President, you will know that during the reign of the UNC they stopped this programme. There are young people who have degrees and cannot get jobs; they have O levels and cannot get jobs; they have A levels and cannot get jobs because they have no experience. Every business wants persons with experience. There is no experience to get anywhere. This programme was stopped under the last administration but it was started back under this PNM administration.

This leaflet tells everything about the programme.

“This programme is designed to provide young persons with the opportunity to acquire work experience in order to develop the necessary skills and attitudes for their entry or re-entry into the world of work. In addition, the programme is expected to develop a cadre of skilled persons from whom employers can source workers to match their organization's needs.”

This is what the programme is about.

Every employer out there wants somebody who has some form of experience and who also qualifies. We have persons who qualify but with no experience. This programme came forth by this administration, this PNM Government to help persons coming out of school and who have no experience.

The programme's objective is to provide nationals of Trinidad and Tobago aged 16 to 35 years with job skills and workplace training opportunities that will afford them a foothold in the employment market. Anyone who wants to access knows that the age group is within 16 to 35 years. It is not hidden. If you are between 16 and 35 years of age, you can get through to do OJT.

The programme is also to match academic and vocational skills of the prospective trainees with labour market needs. There are many needs. Through NTA they do a labour market study and we would know about the demand and where there is shortage in the various skills. When they train we would know what we are doing and we have a database of these trainees. There is a partnering with private institutions and they also accept trainees within their system.

They talked about the programme design and the benefits you have as a trainee. They talk about the opportunity to form a network of contacts. When you are involved in the programme you have exposure to many individuals for an opportunity. In the first instance it was six months and now you have an opportunity to work for one year within the OJT Programme. The training programme also allows you the opportunity to develop a keen sense of responsibility and good work ethics. Supervision and guidance are handled by the ministry's placement officers. It is not that we are putting a child in that institution and the child will remain like that. We monitor the child from the beginning of the programme until the end at the graduation. At that time we also monitor to see if the programme is working. Ninety per cent of the persons coming from the programme are absorbed in the same institutions that they worked in during the training period.

Obviously, some will drop out because—as Sen. Dr. Eastlyn Mc Kenzie talked about it—the attitude of the individual will determine where he or she goes. I always talk about the three—

**Madam President:** You have to ask first whether he will give way? You do not just stand like that, Senator. Are you giving way, Minister?

**Sen. The Hon. S. Ramroop:** Yes.

**Madam President:** Senator go ahead.

**Sen. Phillip:** Would the hon. Senator tell us how many people are enrolled now in the OJT Programme?

**Sen. The Hon. S. Ramroop:** I will answer as I go on in my contribution because I will talk about what is happening and the number of persons. The Minister mentioned it. Over 35,000 persons have benefited from the training programme. I have the history of it. [*Desk thumping*] To be exact, 37,665 persons benefited from this training programme and 498 private sector persons are participating in this programme to ensure that not only the public sector but also the private sector is supporting the programme. Only certain people who are listening to the Opposition are not accessing and benefiting from the programme. It is not just a matter of participating. It is a matter of helping build the human resource of your country. [*Desk thumping*]

We talk about human resource. What is your input as an individual and a company towards human capital? We talk about it. This is why I read the first part. Vision 2020 is not about you. We all want to live in a developed country. We talk about what happens in other countries. We talk about the health care, transportation and everything that happens in another country, but we do not do it here.

Recently, I was in London and I was travelling and spent one hour in traffic. What caused it? "Two fellas just touch their bumper and dat was it." Nobody complained about it. I went to Toronto and I spent an hour and a half in traffic and that is a daily thing; it is a routine. Nobody quarrelled. One day I was travelling at 2.30 a.m. on the highway with a Trinidadian living in Toronto and there are certain places with white lines on the road and you have to slow down. "Nobody on the road, Madam President, but he stopped. Yuh think he doing dat down here? No! Even daylight we eh stopping when de light on red. We throwing everything outside. The culture! But we going in a next man country and doing it but not in our country." The culture has to change in order to access and benefit ourselves. We want a developed country. "We appreciate what the other man have, but we eh appreciate we own, an den we talking bout fix we own. We fixin it! Dis Government fixing we own. Dat is what we doin!"

That is what Vision 2020 is all about; to make Trinidad and Tobago a developed country so you will have access to the basic needs. You talked about health care, water and lights. "We puttin it and when we put it yuh have a problem that we put it. Yuh not assistin!" You are just being negative to all the development by this Government. You know why? Because you had the opportunity to do it and you did not do it and "we doin it now." This Government is doing it now.

People are coming in droves. The Minister was looking at an article and I saw the headline, "Oma's brother congratulating the PNM". It reach home! If he can



do it—I am certain that is a sentiment shared by many citizens of this country, congratulating the PNM. [*Desk thumping*]

There is so much to be said still. I am still on one training programme and I have not completed it but I want to move on. We talked about the MuST Programme. There is all the information you need to know on the MuST Programme in hospitality and the tourism sector. It is not for a certain element of society. It is for every citizen of this country. You want to know about HELP it is here. Everything! What you can do with a HELP loan and how you can access it.

Yesterday an individual came to me. The person wants \$30,000 to buy a computer; rent the room and wants books. If they take up this [*Brochure in hand*] they will realize what they can get, buy and access. I would have liked to read everything about HELP and the eligibility. HELP will be disbursed for recognized programmes. Maybe, I should ask the Minister to put together a package of all that we have and distribute them to all Senators in the Senate so that they would be ambassadors of the Ministry of Science, Technology and Tertiary Education and come on board and share the vision of this Government.

I know that it is already 8.30. I want to talk about MuST. I am very much like the MuST Programme because in the early days I was one of the individuals who planted the seed for this MuST Programme. I am very passionate about the MuST Programme. When the Prime Minister was walking about meeting the communities, he realized that there were many young persons—I was there—who are not academically bright but they have to make a living because they have a wife, a child and they want to work. They were not going to train because “dey eh takin no small money.” They wanted to earn a living. If they were not getting jobs and were not skilled, they would be on the block and went in the field of crime to do all sorts of negative things.

This came about because the unemployment rate at that time was really bad. In 2002, the unemployment rate was 10.3 per cent. In 2007, it went down to 5 per cent. This is remarkable. We are in developed country status with regard to this and it has much to do with the Ministry of Science, Technology and Tertiary Education. It did not happen like that. They went on to talk about the age group 15 to 19 years. There you had an unemployment rate of 28.5 per cent. Those were the persons who could not make it. We sent them to school. “Toute bagai! Everybody go to school; whether yuh bright; whether yuh could read; whether yuh could write, you go to secondary school.” What happened? Look at the age group 15 to 19 years. They had to drop out because they were not ready for that.

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When we got into office we were faced with this problem. They would drop out so they “lime on de block”; gamble and do all the negative things because that is what they relied on. These things guided what we did. If you look further down the CSO Report you would see “no education, 10.5 per cent”. Sen. Phillips will know because he was at the NT at that point in time doing the research. We sat together and pulled the minds together. The principal of John Donaldson Technical Institute; the principal of San Fernando Technical Institute; Cipriani Davis of MIC; Reynold John from HYPE; Hatim Gardener from the secondary schools and Etienne Mendez, a private contractor and I sat down on a Saturday and Sunday because we had to do the programme together. Those persons were experienced. John Donaldson Technical Institute and San Fernando Technical Institute had the national programme and they were doing the Tech/Voc which they stopped and we had to reintroduce. They had the technical background and we wanted a vocational programme. We sat down weekend after weekend and worked right through.

When we started Saturday to Sunday from morning to night we worked assiduously to bring this programme to fruition. Then, the presentation went. It did not stop there because it continued at that time with Minister Imbert. It went to the social sector committee which comprised other ministries and Permanent Secretaries and they commented on the advantages and disadvantages of the programme. It came to the end to the reality of the MuST Programme.

Many persons are accessing this programme. Some persons have graduated from this programme and are now doing their degrees. Before, they were left on the roadside. These are opportunities that were created. Someone who was on the block and lost their way came back in the system through the MuST Programme. They could mind their family. There is an increase in the MuST Programme in Level 1 from one to six months there is an increase from \$60 to \$80 and Level 2, where we have gone to nine months—because after six months you still need to equip yourself—from \$90 to \$100. At least you can do something. Before, you were not getting that and “yuh was on de block.” No vision; no focus! Today, you can come out from your circle; come out from “yuh hole” and hold your head high. We give you all the basic equipment that you need to train. When you go out there “yuh eh workin with no bus up shoes; no bus up pants. Yuh eh feelin left out.” Even though you come from a low level in society, when you go in that programme we make every citizen equal. You cannot determine if you come from “de ghetto”; a poor family or a middle class family. You cannot determine that. Equality! This is what this Government is doing.

From where I sit, I do not know from where they sit, but I guess from where they sit, they cannot see that. This is the programme and we are benefiting from it. There are many trainees who have benefited. To date, 11,900 persons have passed through the programme and it just started. Out of that 6,758 already have permanent jobs. They are happy. Not only male but male and female. “We eh bias. We eh discriminating.”

**8.35 p.m.**

Another programme that I want to talk about is within the retraining programme. No Minister will talk on it, but I want to touch on one aspect that I love. It is also something that I introduced, the heavy equipment training.

We all talk about construction in the MuST Programme so we get all the workers, but we have no operators. At present, there are no backhoe operators, no overloader operators, no tractors or crane operators—nobody to operate. People say they can operate and they overturn your backhoe and heavy equipment and gone. They come to dig a small trench, they widen it and it takes more concrete. For those who know, these things happen.

You must have cost overruns. When you budget, you have it in your own house. Your wife might buy something for which you did not budget. Why can it not happen when you are spending plenty money. [*Interruption*] They say not the wife; maybe the husband too; maybe both parties.

**Madam President:** Senator, I would advise you to be very careful with that kind of statement.

**Sen. The Hon. S. Ramroop:** Madam President, I did not complete the statement. Sometimes the other half, the husband, makes the mistake and goes out of the budget. It happens on both sides. We did not budget for it, but because the need arises we do it.

We introduced this programme. There was real pain. In the beginning, no company wanted to give their equipment. Just imagine, somebody has no licence and you have to put him on a million dollar crane. Certain companies came on board and we congratulate them for coming on board to start this programme.

Today everybody is going in it because when you come out you get your licence; you get your driver's permit. It is not that you are going to sit down and rev up and mash it up. You learn the academic aspects of the tractor. You learn the operational skills, basic maintenance, what everything means and what will happen if you do not maintain.

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Before you would have operators just come in and drive. I worked at PTSC for 20 years and drivers would come and jump in the bus and go their way. There was no water in the radiator; there was a flat tyre and they had run it down. They are drivers; they are not checking anything. When the Express Commuter Service came, the red, white and black buses, we instituted a system where the driver had a checklist—check the radiators, the tyres and make sure the bus was okay just as they would do in their car when they jumped in.

We changed the whole psyche of it. People appreciated it. That is the same thing we are doing with this programme. The Government is doing this programme. This is not run by any private company. The Government is teaching individuals. When you come under, it is not only one you are getting you know. You can pass with backhoe/overloader, crane; sometimes you get four licences so that you are skilled and trained in the retool index operation. This is being done by this Government at this time: We are contributing and we commend the companies which have worked with us to ensure we have the equipment to train all these persons.

Just now there will not be a shortage. The demand is so much for all these programmes and I only touched three. I could go on; we have more. I have not talked about YTEPP. I have not even talked about HYPE. The programmes go on. We have more. I can go on all night. My Minister always talks these things in this Senate. It is not the first time he has said it and I am just repeating for those who do not understand what is happening with this Government.

We care about our citizens; that is why we are here. We are doing work. When we go out there, we do not just sit and wait for things to happen. Madam President, in your life you have to make decisions that come before you. We make prudent decisions. It may not be, as Sen. Dr. Mc Kenzie said, that all budgets will be agreeable to all citizens, but we sat and decided to take the country in that particular direction in what is placed before us.

We have our technocrats. We sit and listen to everybody and then we make our decision on what is right at this present time in these circumstances. I am certain that at one time in your life your spending was different to how you spend now. At one time when you saved, it was different to the circumstances now. We can sit from outside and ask why they did not do this and that, but when you are in the shoes, the ball is different.

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

*Motion made*, That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. Dr. L. Saith*]

*Question put and agreed to.*

**Sen. The Hon. S. Ramroop:** Madam President, this is a maiden. I am shocked. I really wanted to take just half an hour because I know we want to go home. I am really happy to say these things.

In life, sometimes we make decisions and circumstances will change what we do. I am certain that every Minister when they sit in their Ministry and make decisions, they do not look at certain parts of the country and say: let us do this here and not there. In the Ministry, you sit with your technocrats and you do not know who is UNC, PNM, COP or Alliance. Sen. Mark always gets something in his mailbox. I do not want him to get anything about me in his mailbox, so I try to do my best. I am certain that all my colleagues try. They do not want anything going into Sen. Mark's mailbox, because it could reach all over the place.

We have tried and for many people on the radio programmes who say that we in the Ministry discriminate and that only certain people get through with HYPE, with scholarships or could benefit from what Government is giving, we will make a package available to the entire Senate with all the programmes of Science, Technology and Tertiary Education.

Just like Sen. Dr. Mc Kenzie cuts out the pullouts from the newspapers, I have them here also. I have all the pullouts of all the programmes in the Ministry; not only from Science, Technology and Tertiary Education, but all the Ministries that advertise their achievements because they are doing it right now. I commend all the Ministries that do those things.

Sen. Dr. Mc Kenzie said that she was happy she pulled it out and that she is not throwing it away. I also have that copy of all the permanent secretaries on my desk because I will have to call them some time. I pulled it out too. I did not wait for someone to tell me to do it. They did not send it. I have a newspaper too.

I commend all the Ministers and the Ministries for doing that. This is what we need to do. We need to pull out; not because we are Senators or Ministers, it would just come. We have to be proactive because the other Ministers are busy doing other things and we have to determine our destiny; nobody can do it for us. We are trying to do the best for our country.

I thank the Members of Parliament who have worked with me during my stint in these five years as we come to the end of this Eighth Parliament. We are not

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certain what will happen. I thank the Senators here and the staff of the Ministry of Science, Technology and Tertiary Education, the Ministry of Community Development, Culture and Gender Affairs and the Ministry of Tourism where I worked before; all those who assisted me during my tenure in the Senate.

In closing, I urge every citizen to commit to the process of Vision 2020 and play an active part in our achievement of this goal. Each of us has the ability to make a difference, therefore let us all begin to demonstrate a change in our attitude and thinking which will propel the nation to 2020. Together we aspire; together we achieve; one people, one country, one vision.

I thank you.

#### ADJOURNMENT

**The Minister of Public Administration and Information and Minister of Energy and Energy Industries (Sen. The Hon. Dr. Lenny Saith):** I want to tell my colleague thank you for wishing Sen. Mark goodbye. [*Laughter*]

I beg to move that the Senate do now adjourn to Tuesday, September 04, 2007 at 10.00 a.m., at which time we will continue the debate.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 8.45 p.m.*