

*Leave of Absence*

*Tuesday, January 22, 2008*

**SENATE**

*Tuesday, January 22, 2008*

The Senate met at 1.30 p.m.

**PRAYERS**

[MR. PRESIDENT *in the Chair*]

**LEAVE OF ABSENCE**

**Mr. President:** Hon. Senators, I have granted leave of absence to Sen. Annette Nicholson-Alfred for the period January 21 to January 26, 2008.

**SENATOR'S APPOINTMENT**

**Mr. President:** Hon. Senators, I have received the following correspondence from His Excellency the President, Professor George Maxwell Richards, T.C., C.M.T., Ph.D.:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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

/s/ G. Richards  
President.

TO: MS. ALTHEA ROCKE

WHEREAS Senator Annette Alfred is incapable of performing her duties as a Senator by reason of her absence from Trinidad and Tobago:

NOW, THEREFORE, I, GEORGE MAXWELL RICHARDS, President as aforesaid, in exercise of the power vested in me by section 40(2)(c) and section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, ALTHEA ROCKE, to be temporarily a member of the Senate, with immediate effect and continuing during the absence from Trinidad and Tobago of the said Senator Annette Alfred.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 22nd day of January, 2008.”

*Oath of Allegiance*

*Tuesday, January 22, 2008*

**OATH OF ALLEGIANCE**

*Senator Althea Rocke took and subscribed the Oath of Allegiance as required by law.*

**FINANCE (SUPPLEMENTARY APPROPRIATION) (2007) BILL**

Bill to provide for the supplementary appropriation for the service of Trinidad and Tobago for the financial year ending 30<sup>th</sup> September, 2007 of the sum of the issue which was authorized by the Appropriation Act, 2007, brought from the House of Representatives [*The Minister of Finance*]; read the first time.

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

*Question put and agreed to.*

**PAPERS LAID**

1. Annual report and audited financial statements of the National Insurance Board of Trinidad and Tobago for the year ended June 30, 2007. [*The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne)*]
2. Report on the Seventh Actuarial Review of the National Insurance System as at June 30, 2005. [*Sen. The Hon. M. Browne*]
3. ILO Convention 197—Promotional Framework for Occupational Safety and Health Recommendation, 2006. [*The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill)*]

**ORAL ANSWERS TO QUESTIONS**

**Caribbean Industrial and Technological Services Limited  
(Details of)**

**2. Sen. Wade Mark** asked the hon. Minister of Science, Technology and Tertiary Education:

Would the Minister inform this Senate whether:

- i. Caribbean Industrial and Technological Services Limited (CITSL) is a subsidiary of the University of Trinidad and Tobago (UTT) which is a non-governmental organization?
- ii. If the answer is in the affirmative, would the Minister inform this Senate whether CITSL has a mandate to re-organize and/or restructure CARIRI and the IMA, two statutory agencies?

**The Minister of Science, Technology and Tertiary Education (Hon. Christine Kangaloo):** Mr. President, Caribbean Industrial and Technological Services Limited (CITSL) is a subsidiary of the University of Trinidad and Tobago. Its correct name however, is UTT Caribbean Industrial and Technological Services Limited. It is also incorrect to refer to the University of Trinidad and Tobago as a non-governmental organization, rather the University of Trinidad and Tobago is a private non-profit company incorporated under the Companies Act on September 14, 2004.

In response to Part II of the question: UTT Caribbean Industrial and Technological Services Limited does not have a mandate to reorganize or restructure the Caribbean Industrial Research Institute (CARIRI) or the Institute of Marine Affairs. Its purpose is to provide laboratory testing and consultancy services including some new services not currently available in Trinidad and Tobago, as well as research and development work.

I thank you, Mr. President.

**Sen. Mark:** Through you, could the hon. Minister indicate to us what then is the relationship between CARIRI and Caribbean Industrial and Technological Services Limited? What is the relation therefore, based on what she has said?

**Hon. C. Kangaloo:** Mr. President, I think as I indicated in the answer that I have given, the company is a company that was incorporated to provide certain services and these include services that are not currently available in Trinidad and Tobago.

**Sen. Mark:** Mr. President, could the hon. Minister indicate therefore, whether there is any intention on the part of the Government to close down CARIRI or is CARIRI or will CARIRI remain an independent statutory organization as incorporated under law?

**Hon. C. Kangaloo:** Mr. President, there has been a decision that CARIRI will be integrated into the University of Trinidad and Tobago and all of that will be done. We will see that happening when we bring the legislation before Parliament with respect to the University of Trinidad and Tobago, but that is the decision.

**Sen. Mark:** Mr. President, one final question to my hon. colleague. Could the hon. Minister indicate whether there is any time frame established for the integration of CARIRI into UTT?

**Hon. C. Kangaloo:** Mr. President, as I indicated, the legislation has to be brought to Parliament and we are currently working on the legislation. It will be brought to Parliament in the very near future and at that stage we will deal with all of the issues of integration of CARIRI into the university.

### Chinese Immigrant Workers

**3. Sen. Wade Mark** asked the hon. Minister of Labour, Small and Micro Enterprise Development:

Could the Minister inform this Senate whether:

- A. Foreign companies which utilize the services of Chinese immigrant workers to execute a large number of government's construction projects are subject to and governed by all relevant labour laws in effect in Trinidad and Tobago?
- B. Would the Minister also inform this Senate of the measures used by the Ministry of Labour to ensure that all relevant labour laws are complied with by these foreign contractors/companies?

**Sen. Mark:** Mr. President, I got a call from the hon. Minister Rennie Dumas and he did ask for another week on question No. 3 which I have consented to. However, as it relates to question No. 4, the hon. Minister of Works and Transport, when he called me last week, he told me to give him one week and the hon. Leader of Government Business did request of this honourable Senate one week. I am surprised that he is not here.

I just want to ask you, Mr. President, given the experience we have had in the last Parliament, that if you can—at the appropriate time—interpret for this honourable Senate the last sentence in Standing Order 18(1). I will like you to interpret that for us so we can be guided accordingly in the future.

*Question, by leave, deferred.*

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

#### Licensing Authority (Computerization of)

- 4.** Would the hon. Minister of Works and Transport inform this Senate when the Licensing Authority will be fully computerized in order to bring relief to the drivers of this country and particularly to protect against any fraudulent activities within the Authority?

*Question, by leave, deferred.*

**Nelson Island Heritage Project  
(Status of)**

**18. Sen. Dr. Adesh Nanan** asked the hon. Minister of Tourism:

Would the Minister advise the Senate on the status of the Nelson Island Heritage project?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. President, the answer to Question No. 18, although prepared, has not been approved by the Cabinet and therefore we seek a one-week extension.

*Question, by leave, deferred.*

**ARRANGEMENT OF BUSINESS**

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. President, in accordance with Standing Order 20(4), I seek the leave of the Senate to deal with Government Business instead of Private Business.

*Question put.*

**Sen. Mark:** Mr. President, I thought that the hon. Minister would have intimated to you and this honourable Senate that today is Private Members' Day and we have in the spirit of goodwill to date—I do not know how long it will last—to at least facilitate the debate on the Finance Bill, with the clear proviso that at the next sitting of this honourable Senate, Private Members' Business will be given priority. So I just want to put that on the record, although my friend is fully aware of it.

**Sen. The Hon. C. Enill:** Mr. President, I thank the distinguished Senator for clarifying; we did speak about it. I wish to concur with his remarks, we would, in fact, do Private Members' Business on the next occasion, which is next week Tuesday.

**Mr. President:** Very well, I have already stated the question.

*Question agreed to.*

**FINANCE (SUPPLEMENTARY APPROPRIATION) (2007) BILL**

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Thank you, Mr. President. I beg to move,

That a Bill to provide for the supplementary appropriation for the service of Trinidad and Tobago for the financial year ending 30<sup>th</sup> September, 2007 of the sum of the issue which was authorized by the Appropriation Act, 2007, be now read a second time.

*Finance (2007) Bill*  
[SEN. THE HON. M. BROWNE]

*Tuesday, January 22, 2008*

This is a Finance Bill and it has been passed in the other place. The Bill provides for the supplementation of the 2007 appropriation in the sum of \$1,124,920,000 to retire advances made from Treasury deposits which were used to finance urgent and critical items of expenditure in fiscal 2007.

The advances were utilized for the following:

payment for the enhanced Voluntary Separation Plan and buy-out claims from employees of BWIA West Indies Airways Limited in the sum of US \$68 million or TT \$431,800,000;

capitalization of Caribbean Airlines Limited at a cost of US \$46.16 million or TT \$293,120,000;

payment of the first instalment of \$400 million to the Central Bank, pursuant to the Government's decision to increase the authorized share capital from \$100 million to \$800 million.

Authority is provided in the Exchequer and Audit Act, Chap. 69:01 for the Minister of Finance to temporarily utilize balances on Treasury deposits to make payment in the public interest and to recover them within a 12-month period after the year in which the payment was made.

Specifically, section 17 of the Act states:

“Pending repayment or application to the purposes for which they were deposited, the Minister may authorize the use of the balances held on deposit in respect of any special funds established by Act or otherwise or of any other deposits (other than trust funds or the balances of the Consolidated Fund) to make advances—

- a) on behalf of and recoverable from other Governments;
- b) to or on account of trusts or other funds administered by the Government, or to, and on behalf of, public bodies, institutions or individuals, where the advances are in the public interest and are recoverable within the time, not exceeding twelve months after the close of the financial year in which the advances are made.”

**1.45 p.m.**

Mr. President, in the case of BWIA, flag carriers in other parts of the world have faced serious financial hardships: Swissair in Switzerland, Alitalia in Italy, Subeena in Belgium to name but a few. In the case of BWIA, the Government was faced with the intractable problem of having to support an unprofitable airline. It was therefore incumbent on the Government to stop the haemorrhage of state resources by finding a permanent solution to the problem.

After installing a new board of directors and engaging specialists to advise on the way forward, the consultants recommended, and the Government concurred, that the airline was operating uncompetitively and decided to close the operations of BWIA. However, given the Government's thrust to provide strategic links to tourist markets, as well as links in support of strategic industries, it was agreed that a new airline was to be created, hence the formation of Caribbean Airlines Limited. This new airline requires adequate capitalization to successfully operate its business, hence the appropriation of \$293.1 million

Mr. President, the Government has always acted responsibly and has always demonstrated a capacity to confront and deal with state companies that have presented a drain on scarce resources. The closure of BWIA Limited represents another instance where a lasting solution was implemented to resolve long-standing problems with an ailing state enterprise.

In addressing the efficient use of resources by rationalizing the operations of state enterprises, this Government is committed to meeting its responsibilities to the employees affected by such decisions. As a result of the closure of BWIA, it became necessary to provide an enhanced voluntary separation package for employees and also to treat with buy-out claims.

With respect to the Central Bank's increased capital, the Senate is asked to recall that the resolution of the Board of Directors of the Central Bank of Trinidad and Tobago to increase the authorized share capital from \$100 million to \$800 million, was approved by the House of Representatives on July 13, 2007 and by the Senate on August 21, 2007 and effected by Legal Notice No. 162 dated August 23, 2007.

Mr. President, at its inception in 1964, the Central Bank's initial paid-up capital was \$2 million and authorized capital set at \$5 million. The bank reached its limit of \$5 million in 1966 and kept at this level until 1985 when it was increased to \$30 million through the enactment of the Central Bank and Financial Institutions (Non-Banking) (Amdt.) Act, No. 2 of 1986. In 1994, the authorized capital was increased to \$100 million.

In corporate finance, capital is a building block to ensure that the institution can undertake and meet its financial objectives and provide a defence in the face of adverse financial conditions. The Central Bank is a very special institution with a very special responsibility and that is to maintain the safety and soundness of the financial system.

Capital can come in the form of retained profits or from an injection. The Central Bank of Trinidad and Tobago has always registered healthy profits. However, the Central Bank does not have the flexibility to build up its capital or its reserves, given the provisions of the Central Bank Act and so has to protect itself in this manner against losses.

Notwithstanding this historical record, just as the Government recognizes the need to prepare itself for a sudden decline in oil prices and its impact on international reserves, the Central Bank must also prepare for an unexpected weakening in its balance sheet, as the lender of last resort charged with the responsibility of ensuring the integrity of the financial system.

The bank assumed responsibility for the supervision of insurance companies and private pension plans in 2004. Already in 2006, it has had to initiate legal action against three companies for non-filing of their annual returns and to take intervention action on two insurance companies. The outlook is for an even further widening of the bank's activities following the decision by Government to assume responsibility for regulating and supervising the financial activities of credit unions. This wider responsibility has considerably increased the Central Bank's span of control. Consequently, the potential for the bank to provide emergency assistance in the event of losses by failing institutions is also increased.

I now refer to the transfer of funds between sub-heads of the same Heads of Expenditure. With effect from August 01, 1988, Cabinet delegated its authority to approve transfers between sub-heads to the Minister of Finance when it agreed, among other things, as follows:

“Request for transfer of funds between separate sub-heads under the same Heads of Expenditure should no longer be submitted to Cabinet but can be decided by the Minister ... on the advice of the Budget Division.”

Consequently, in fiscal year 2007, the hon. Minister of Finance approved the transfer of funds in the sum of \$1,135,833,200 between sub-heads under the same Head of Expenditure.

It should be noted that the transfers were approved by the Minister of Finance based upon notes from the respective ministries requesting the transfers. It should also be noted that these transfers are requested to reflect changed circumstances in the ministries and departments and as a consequent reordering of priorities. They do not increase the total appropriation in any way. Statements showing the transfers approved by the Minister of Finance and explanations for some of the more significant transfers were circulated to the hon. Members of this House beforehand.



Mr. President, the Senate is asked to note that in August of 2007, at the time of presentation of the 2008 budget, the Ministry of Finance revised the revenue projection for fiscal 2007 upward to \$40,543.8 million. Correspondingly, expenditure was forecasted to be \$39,275.1 million, with an anticipated surplus of \$1,268.7 million. This position was communicated to Parliament at the time of the presentation of the 2008 budget on August 20, 2007 by the hon. Minister of Finance.

Following the submission of the data on actual revenue and expenditure, at end of 2007 fiscal year, by government ministries, departments, statutory authorities and other bodies and the Tobago House of Assembly, the provisional fiscal outturn for fiscal 2007 was prepared by the Ministry of Finance. Based on this data, overall spending was \$39,578.2 million and total revenue, \$39,649.8 million, yielding a smaller overall fiscal surplus of \$71.6 million. This surplus is \$1,197.1 million less than projected at the time of the preparation of the 2008 budget. Revenue fell short of the revised estimate by \$894 million whilst actual expenditure was \$301 million greater than the revised allocation.

After processing data provided by the government ministries, departments, statutory authorities, other bodies and the Tobago House of Assembly, at the end of 2007 fiscal year, total revenue collected amounted to \$39,649.8 million which was less than the revised projection. The lower levels of collection under taxes and income and profits derived from negative variances from oil companies of some \$496.7 million and individuals in the sum of \$378 million. With respect to the oil companies, taxes were lower because of the delays experienced in the coming on stream of production of the Red Mango and Cashima fields, as well as the shut-ins experienced on five TRINMAR platforms as a result of health and safety concerns.

The negative variance in collection of unemployment levy was affected by the same factors that negatively affected oil revenues. In the case of taxes from individuals, collections were adversely affected by delays in the settlements of negotiations with teachers, fire and prison officers. The improved collection from non-tax revenue was influenced by higher than anticipated equity profits from the Central Bank, consequent upon the materialization of more favourable interest rates on its international investments.

Mr. President, revised expenditure for fiscal 2007 was projected at \$39,275.1 million at the time of the presentation of the 2008 budget, whereas the actual amount spent was \$39,578.2 million, which reflected an increase of \$301.1 million, as indicated earlier. This expansion in expenditure was influenced primarily

by higher than projected transfers to state enterprises of some \$1,157.4 million, which comprised in the main, the payment of the first instalment of \$400 million to Central Bank, pursuant to Government's decision to increase its authorized share capital from \$100 million to \$800 million, and the payment of \$431.8 million to meet the closing cost of BWIA and \$293.1 million for the capitalization of Caribbean Airlines. These areas of expenditure were met initially by advances from the Treasury deposits.

The increase in transfers to state enterprises was partially offset by lower than anticipated expenditure under Personnel Expenditure of \$209.1 million, Other Goods and Services of \$39.9 million and transfers to Statutory Boards and Similar Bodies of \$206.1 million

Mr. President, in the case of personnel expenditure, under-spending was reflected in the delays in settling negotiations with teachers and prison officers. With respect to Other Goods and Services, the main reasons for the shortfall included:

- non-procurement of a number of ministries and departments of minor equipment including vehicles and other specialized equipment;
- delays in payment of arrears with respect to travelling and subsistence allowances arising out of the settlement of the collective agreement for the period 2005—2007;
- the non-submission of invoices by VMCOTT in respect of the maintenance of vehicles for ministries and departments;
- administrative difficulties experienced by ministries and departments in recruiting individuals to fill contract positions;
- the failure of PLIPDECO to submit claims to the Customs Division for payment in a timely fashion;
- the non-utilization of resources provided under the Ministry of Finance for the Pension Reform project.

With respect to transfers of statutory boards and statutory bodies, the major areas of under-expenditure were:

1. reduced transfers to WASA which resulted from the non-settlement of negotiations with daily-paid and monthly-paid employees; and
2. decreased spending by local government bodies caused by the inability to pay arrears of salary and allowances emanating from the settlement of the collective agreement for the period 2005—2007.

Mr. President, the fiscal outcome for 2007 clearly demonstrates that the Government prudently managed the nation's resources. After accommodating expenditure of \$724.9 million to capitalize Caribbean Airlines and meeting closing costs for BWIA West Indies Airways Limited and a further \$400 million representing the first instalment of payments to increase the authorized share capital of the Central Bank, we were still able to register an overall surplus on the fiscal account of over \$71 million for 2007.

The exceptional way in which the fiscal account was managed becomes more evident when one considers that a deposit of approximately \$2.03 billion was made into the Heritage and Stabilization Fund in order to create future wealth for the citizens of Trinidad and Tobago.

Mr. President, I beg to move. [*Desk thumping*]

*Question proposed.*

**2.00 p.m.**

**Sen. Wade Mark:** Mr. President, the Finance (Supplementary Appropriation) (2007) Bill, to our mind on the Opposition Benches, represents another episode of this Government's manifest incompetence and ineffective and inefficient approach to budgeting in our Republic. It is not the first excursion by this reckless and inefficient administration into financial adventurism and, I assure you, it will not be the last, in spite of the presence of the new Minister in the Ministry of Finance.

The time has come to effectively demolish Government's feeble arguments concerning, as he said in his closing remarks, its prudence and almost excellent management of the country's financial resources. Nothing could be further from the truth.

Every year, for the past five years, this intellectually bankrupt administration has returned to this Senate not only for variation, but also supplementary appropriation. It has also now become a cycle, virtually, of transferring funds between sub-heads. This particular Bill demonstrates a huge transfer between sub-heads, almost unprecedented. I do not want the Government to get away by hiding behind the shirttails of the UNC for comfort as the basis for its wild and irresponsible approach to its financial management of this nation's affairs. I would like to remind this Government of the excess capacity prevailing in the economy during our administration, the low inflation rate and the definitive scope for expansion in the economy, after emerging from a very deep and protracted recession in this nation.

It is now common knowledge that in 2004 the economy of Trinidad and Tobago reached full capacity; yet the Government increased its actual spending from \$24 billion planned expenditure to some \$32 billion, an increase of one-third in one year. The result was inflation ballooned from 3.9 per cent in 2004, to some 6.9 per cent in 2005. The Government's propensity of returning to this honourable Parliament in 2005 and 2006 and now in 2008 for supplementary financing, demonstrates its scant regard for the pressures placed on this economy by its aggressive fiscal stance.

The Government must understand that the situation has changed between the periods 1997 to 2007. Unless the PNM is stuck in a virtual time warp, is it not aware of a counter-cyclical fiscal policy approach? What this Government is currently pursuing is a pro-cyclical fiscal policy, which is exacerbating and intensifying pressures being experienced in this economy on account of the Government's excessive and obscene spending patterns. It is on account of this pro-cyclical fiscal stance that the economy is inflating in excess of Government's targets. Inflation, as you know, stands at just over 8 per cent.

The Minister did not even refer to the inflationary problem which remains intractable at this time. Whilst the critical inflation rate, which is a food inflation rate, stands well over 16 per cent, yet this shameless regime speaks of prudence in its management of the national economy. What utter piffle on the part of this regime.

It cannot be prudence when in times of abundance, poor, oppressed, exploited and downtrodden citizens are finding it impossible to purchase the same bundle of goods as they did last year, with the same income. Given this development, we in the UNC-A would like to know: When will the inflation rate come down to the levels experienced in 2001, when during the six years of the UNC it averaged about 3.5 per cent? When are we going to reach that level?

Mr. President, when can consumers expect to obtain food at a decent price in this country, in particular, domestically produced food? Last Saturday, carite was being sold at over \$28 a pound in this country. A head of lettuce was going at some \$7 to \$8; a bundle of watercress was being sold at over \$5 in the market; tomatoes over \$16. These are all domestically produced food, and as such the people would like to know: When is this Government going to come with a particular plan to ensure that food production increases? When are we going to increase local domestic food production? Nowhere in the Finance Bill was there an allocation aimed at increasing domestic food production.

The PNM must take full responsibility for the collapse of domestic agriculture. Its failure to transform Caroni lands into hundreds of small and viable family farms, as well as its blatant refusal to move expeditiously to distribute the lands as per its contractual agreement and per the court order compelling it to do so, lies at the heart of the gathering food crisis in our nation. Is it that the Government perceives that the recipients of these lands are not PNM supporters and, therefore, has decided that it would frustrate the process to the best of its ability?

The owners of Blue Waters were not that unfortunate, since by the stroke of a pen and without any official explanation to date, they were given on a platter some 450 acres of prime agricultural lands at Orange Grove. I would like the hon. Minister of Agriculture, the former Minister of Foreign Affairs, and the Minister in the Ministry of Finance, to come clean and provide this honourable Parliament with the terms and conditions; a detailed account of this 450 acres of prime agricultural lands that were transferred from Pernod Ricard to Blue Waters.

I understand that the Chief Executive Officer (CEO) is a fellow called Dominic Hadeed. I want to know if there is a deal taking place between the Government and this particular individual. Come and tell the country what the terms and conditions are and how this one individual could land up with 450 acres of prime agricultural land. We will have much more to say on this matter, depending on the response we get from the Minister in the Ministry of Finance and the Minister of Agriculture.

Mr. President, this thing is so serious that I believe we should have an enquiry, an investigation into this smelly transaction. Either the police, the Director of Public Prosecutions (DPP) or the Minister of Finance should launch an enquiry into this smelly transaction involving this transfer of 450 acres of land.

There now exists in this country an inflation bias in this economy of ours; in that, all contracts that are being negotiated, including wage contracts, are implicitly considering inflation rates which are close to double digits. This may well explain the growing public sector wage bill and the inability of the Central Bank to keep prices low in this country. Just as there is no coordination between the Ministry of Works and Transport and the Ministry of Public Utilities in respect of the destruction of roads to replace pipe laying projects and operations, so there exists a lack of coordination between the Ministry of Finance and the Central Bank in the combat of inflation.

The only tool available to the Central Bank is an intervention aimed at absorbing liquidity via new bonds sales. However, the problem with this measure is that it is going to incur a cost by the Government to service these bonds, which could have been avoided if the inflation rate was low.

I understand what the hon. Minister was attempting to explain a short while ago as the underlying reasons for the increase in share capital of the Central Bank. He provided some reasons as to why this was so. At one time before he spoke, I contemplated, in my assessment of this exercise, whether this was a clever means of sterilizing liquidity, thereby bypassing or avoiding the interest charged on bonds sold by the Central Bank. But he has attempted to provide some explanation of this matter.

Given the occurrences of the last fiscal year, can we expect, in the not too distant future, the return to this Parliament by this administration for further supplementary financing? Has the Government taken seriously the notion that absorptive capacity has been exceeded in this economy or is it of the view that it can continue to spend without harming and hurting the economy? As long as revenue rises, will the Government continue to write cheques?

**2.15 p.m.**

We in the UNC Alliance would like to know whether the Government has a position on how the country would finance its operations if we were to experience severe output shocks. Is it at all concerned that we may not be as fortunate in the future as we were in the past with respect to new gas finds in our country? Is it committed to developing alternative sources of financing such as interest income from the Heritage and Stabilisation Fund to which the hon. Minister referred, as well as tax revenues from an expanded non-oil sector? If so, Mr. President, how much should it target for the fund by 2020? Not this measly and paltry TT \$2 billion.

Mr. President, its approach to that Heritage and Stabilisation Fund will certainly represent prudence in fiscal management. We on this side hold the firm view that we need a minimum of US \$20 billion in the Heritage and Stabilisation Fund by 2020 and not the paltry sum of what we have today of some US \$1.9 billion, or just under US \$2 billion which is peppercorn savings given the kinds of moneys that we are raking in. Oil is right now hovering around US \$98 and at one time it crossed the benchmark of US \$100. This Government should be using oil as if it was \$25 or \$35 per barrel and sending the revenues into the Heritage and Stabilisation Fund instead of overheating the economy and engaging in wasteful, wanton expenditure habits.

Mr. President, we have calculated that we would need over the next 12 years a minimum of \$9 billion per annum into that fund so we could meet this minimum figure of US \$20 billion by 2020, particularly when we take into account the Scott Ryder Report which tells us that development in the oil and gas sectors may not

be after all that rosy. So we have to save and not engage in spending; a splurge, an obscene and excessive spending in our country; this is prudence. If we could put more savings into our Heritage and Stabilisation Fund, that is prudence because as I said, oil is almost at \$100 a barrel. You know with the recent trains of natural gas production and an inflation target of 5 per cent, this \$9 billion transfer to the fund on an annual basis is not only feasible, but will represent the epitome of prudence in the management of the country's natural resources. In fact, this is the pact that the UNC-A government will make with the people when it returns. [Laughter]

Indeed when the UNC—that is between 1995 and 2001—was in office, we established the Heritage and Stabilisation Fund and deposited the sum of \$1.1 billion. The price of oil at that time was a mere \$22 per barrel and we were able to deposit \$1.1 billion. The price of oil today is nearing almost US \$100 and this Government has deposited \$2.2 billion. It is very sad. I want to remind this Government that when the UNC was in office inflation was less than 4 per cent.

Mr. President, this will not only secure the future revenue stream of the Government if we go for that US \$20 billion in our Heritage and Stabilisation Fund, but it would also stabilize the economy and reduce the pressures placed on the Central Bank of this country. So when this Government speaks of prudence, it must not only talk the talk but it must do the walk as well.

Mr. President, I want to remind you and this honourable Senate that in times of plenty, prudent fiscal management policy would dictate that the Government take steps to increase its revenue collection mechanisms, for we are sure that the Ministry of Finance is not as efficient as it should be in the collection of income tax, corporation tax, VAT and a slew of other taxes as admitted by the hon. Minister a short while ago.

To collect taxes in a time of plenty in an efficient manner, to my mind, represents prudence in fiscal management, then it will show a certain level of discipline on the part of the Government. Instead we are witnessing a lack of interest and drive in this area, indeed, no serious attempt is being made to control costs incurred by various arms of the State and it appears that accommodation upon request to facilitate spending without true, diligent checks to objectively determine whether these requests are valid or invalid, justified or unjustified, productive or wasteful, these things are not taking place. Prudence would dictate that we expand the economy of our country. This economy slowed—and the Minister did not tell us that—at 5.5 per cent in 2007, the weakest output since 2001. He hid that from us.

Tourism which is a sector that can generate employment opportunities, revenues and foreign exchange contributed some half per cent to the GDP. As you know, agriculture under the PNM has collapsed and disappeared under this regime and we are becoming more and more reliant on the energy sector and making no provision for the effective diversification of our economy.

Mr. President, you will know about the non-energy deficit which was about 5.5 per cent in 2001; today, it is over 16 per cent; the last figure I saw was 15.5 per cent. So what is happening is that revenues from oil are being used to finance the non-oil sector in our country and that is what is generating the inflationary levels and rates in our country because the non-oil sector has virtually collapsed, it is not contributing to development the way it ought to.

Mr. President, I am sure when the EPA comes into being—and I am anxiously waiting for this Government to explain to us the economic, political, social implications of the recently concluded Economic Partnership Agreement (EPA) between the European Union and Cariforum. It is silent on that so far. That is a debacle for the economy of Trinidad and Tobago and not to mention those other small Caribbean countries. I do not understand how you could agree with another country to reduce your import duties by almost zero per cent in 10 years. What is going to happen to us? What is going to happen to customs duties and import duties and VAT from the Customs Department which is over \$1 billion today? Who is going to finance that when you are getting into these kinds of sell-out agreements with this regional regime called Cariforum and the negotiators? I believe that when we examine this document very carefully, they might be guilty of economic treason against the people of the region, but we would say more about that at the appropriate time.

Mr. President, we are saying that diversification within the energy sector is excellent. The Governor of the Central Bank has advised that unless we expand output in the agricultural sector, we will not be able to control inflation in the future. That is a reality and no amount of cheap talk would hide that fact. Unless we expand into tourism and other new areas opened by the micro-electronic revolution, we will not be able to generate the employment opportunities promised and needed by the young people. I think the young people in this country are in for a nightmare. They will experience a nightmare in employment opportunities because the moment we experience an oil and gas shock all hell would break loose.

Mr. President, when we look at what is taking place in this document before us, and the behaviour of this Government in terms of its fiscal management of this economy, I must go back to our period. When we were in office our fiscal package



was \$13 billion, which was the highest. Today, the budget in this country is hovering close to \$46 billion, yet with \$13 billion the human development report issued by the UNDP ranked Trinidad and Tobago at the end of 2001 as No. 49, a high human development index by the end of 2001.

The PNM has a budget that has expanded by 300 per cent in a short period of five years. One would have thought that the human development index which looks at education, healthy lifestyles and longevity, we would have thought that by now Trinidad and Tobago would have been ranked at No. 20 in the world of nations given all this expenditure that we have engaged in over the last five years.

Mr. President, you will be shocked to know that Trinidad and Tobago at the end of 2007/2008 has fallen from 57 in the Human Development Index to 59 and we were 46 or 49, I think, when the UNC demitted office, or we were robbed of office at the end of 2001.

### **2.30 p.m.**

So where is this money going? You are spending money and there is no analysis, no evaluation, no objective measurement of the returns on these investments, whether it is in the social sector or any other area. So this Government is just throwing money away and the poverty level continues to rise in this country. People cannot even buy food in this land! One psychic is predicting food riots in this country! They will no longer come into your house to “tief” your wife or to kidnap your daughter; they are coming to “tief” food because they cannot afford food now. That is what one psychic said. So all this income and all this prudence that the hon.—

**Mr. President:** I hate to stop you in full flight but the correct word is “steal”. There is no such word as “tief”.

**Sen. W. Mark:** Okay, steal. I am corrected. They do not “tief”; they steal. I agree.

What I am suggesting is that all these revenues and the glib talk, the pious irrelevancies and sanctimonious trivialities mouthed by the hon. Minister a short while ago, mean nothing to the ordinary man and woman in this country, because they are under tremendous pressure by the PNM. Whether you go to the grocery or the market, it is poverty. Do you remember the Mighty Shadow: “Poverty is hell”? That is what poor people are going through; hell under this PNM! There are high prices for food; milk; every commodity has gone up under this regime.

The quality of education has collapsed in this country. Poor Minister of Health, I commiserate with you; I sympathize with you—empathize. You know, health care is in shambles in this country! Poor people cannot get beds to sleep on in this town, and he talks about a 100-day plan?

So poverty, health, all these things are not in the reach of the people. And do you know what is sad? Small Barbados is No. 30 in the world ranking of 177 nations for the last 10 years. We moved from No. 40 at one time to No. 59 and we have more money than Barbados, and we have oil and gas. I think the Minister in the Ministry of Finance could tell us about Barbados. He has a good association with Barbados. I will talk about that on another occasion. I will ease you up today, but you are getting it, you know; I am coming for you.

So as far as I am concerned, it is our view that the people of this country have experienced deterioration in their quality of life in the last five years. So when the Minister of Finance is talking about prudence, you measure prudence in the context of the people's quality of life. You are living in the sky! You must be on the ground and see and feel the pains and pangs of hunger that people are experiencing in this country. That is what you must experience! You have all the money.

It reminds me of a statement made by—I think it was the Barbadian Prime Minister, the late Tom Adams. He said Trinidad and Tobago has plenty money but it has no sense. The Government; plenty money, no sense! And that is what we are seeing here; no sense! When you talk about prudence, the Minister should be telling us about security and safety. There were 36 murders in how many days? How could that be prudence in managing our fiscal affairs? You have 36 or 34 murders now; two murders a day, virtually! This country is a horrible place to live in, you know, Mr. President, and I want the hon. Minister of Finance to know this. And the Minister of National Security, he is in charge—my former teacher.

When we talk about prudence in managing the economy of this country, the hon. Minister of National Security must tell this country why the detection rate for murder is less than 18 per cent in this country. He must tell us that! Why are 300 murderers still on the roads and streets of this country, walking side by side with ordinary citizens to murder again? That is how you measure prudence in the context of the quality of life. So all the moneys that we have, Trinidad and Tobago is slipping at an alarming rate with respect to the comfort and convenience that one would expect with rising government revenues. The Government has failed in the area of crime, safety and security; it has failed in the area of education and health care; it has failed in the area of food security and lower prices for access to quality food in our country.

I want to remind this Government that it is a minority. I want to remind you that 350,000 citizens voted against you; against the 300,000 that voted for you. So you are not a popular Government; clearly not. Therefore, it cannot be business as usual. Therefore, I believe that your approach to policy formulation must take a different angle in the future. We are not too optimistic that this Government sincerely realizes the extent of its unpopularity, but we would expect in the way of relief in the areas of crime control, congestion, cost of living, widespread corruption and chaos, at least to be addressed properly by this regime in the coming months. It is very difficult, outside of a revolution, to remove a government when it is there for five years and the people are becoming hopeless under this regime and stewardship.

I saw in the document that was passed on to us, entitled Finance Supplementary, I think it was on page 17 of Appendix I, if I am not mistaken, where, under the Ministry of National Security we heard something about extraordinary expenses due to the sensitive nature of the projects falling under this item: "Sums are to be readily available to expedite those expenditures as demands were made." What were these extraordinary sensitive items, Minister of National Security? Was it the Executive Security Services Limited, the private security outfit that has now been assigned to the Prime Minister? Was that their sensitive area? We do not know. Tell us. I would like the hon. Minister to tell us what this is about. I think that we need proper accountability from this Government.

I want to also tell this hon. Minister, as it relates to agriculture, there is a basic development theorem that links competitiveness of an economy, particularly its manufacturing sector, to agricultural productivity. If you have a thriving agricultural sector, it is linked to the export sector and it allows your manufacturing class to engage in more competitiveness as they seek to penetrate new markets. When people are hungry, they demand more; when workers do not have proper wages because of rising food prices as a result of inflation, they demand more, because you know almost 60 per cent in some instances, or 50 per cent of a worker's minimum, meagre wage or income goes towards the purchase of food. So if you produce cheap food in a country and ordinary people and middle-class citizens have access to reasonably priced food, it will, in fact, increase competitiveness of your export sector. That is a basic development theorem. I do not know if the hon. Minister, who is an accountant by profession, understands that.

I want to tell the hon. Minister in the Ministry of Finance that the huge transfer between sub-heads of \$1.1 billion represents a national scandal in the public service. The Government's bureaucracy has virtually collapsed. Public

*Finance (2007) Bill*  
[SEN. MARK]

*Tuesday, January 22, 2008*

administration under the past Minister of Public Administration and Information has collapsed. Where is the efficiency? Where is the efficacy? Where are the savings? When you have within ministries so much money being transferred, it tells you—and you are going to set up a monitoring unit? That is a waste of time! You will never be able to monitor properly! Do you know why? The inefficiency is inherent in the system and you will not face the reality of bringing about radical changes in terms of the public sector transformation process. Instead, you prefer to establish special state vehicles in order to carry out responsibilities that the public service is supposed to be carrying out. So this huge transfer of \$1.1 billion between sub-heads really represents a collapse in public administration management in the system, and there is no “if” and “but” about that. I wish the new Minister—I think he was a former Minister of the cloth; now he is a Minister of politics and government; I wish him well.

Let us deal with BWIA and Caribbean Airlines at this time. We wish to record our concern over the absence of any financial accounts to date in respect of the operations of Caribbean Airlines; this so-called new airline. I am sure that we are supposed to get quarterly or half-yearly accounts. This particular airline began to fly on January 01, 2007; we are now in January 2008 and we are supposed to at least see some financial audited accounts or some financial accounts on its operations. We have not seen any to date. We would like to call on the Minister in the Ministry of Finance to tell us about outstanding benefits owed to former workers and retirees of BWIA. BWIA is not dead; BWIA is alive.

**Mr. 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. A. Nanan*]

*Question put and agreed to.*

**Sen. W. Mark:** Thank you very much, Mr. President. I would like the hon. Minister in the Ministry of Finance to tell us about the benefits that workers are entitled to and were denied in their health plan and in their travel arrangements. Those were entitlements. I would like the Minister of Finance to tell us what the Government is doing to meet the obligations of these workers who are still unable to access these benefits.

**2.45 p.m.**

As he is on that, could the hon. Minister tell the Senate about the profitability of this new airline? What time is envisaged for this airline to become profitable? I will like him to tell us how much money has been pumped or injected into this

airline to date. When will this airline become viable? It has been said that if one does the same thing in the same way, over and over, one would get the same results. This should explain the excessive and obscene overspending and consequent overheating of this economy and its negative impact on the citizenry of this country over the last five years.

I remind this Government that there is a concept called the business cycle. I emphasize that different policies are required at different stages of the business cycle. It appears to us that the policy responses that are being applied by this Government are inconsistent with the stage of the cycle that the society and economy are experiencing presently. It reminds me of a medical doctor to whom you might go and he would give you Tylenol not only for fever, but also bronchitis, cardiac diseases and other ailments. You are bound to die. This Government is not appreciating in a proper way the stage of the cycle in which we are.

The country's economy has expanded to a point where we have to build more capacity. We have reached over-capacity in this economy and pumping more money into it will not accomplish any objectives in a real way. This Government seems to be going because what? Have money, will spend. That is how it operates.

In 2007, this economy of ours slowed as I indicated. Oil production fell from 144,000 barrels in 2006 to 120,000 barrels at the end of 2007. Your output per day collapsed from 144,000 barrels in 2006 to 120,000 barrels or less per day at the end of 2007. No new energy plant came on stream in 2007. I can be corrected by the Minister of Energy and Energy Industries. Whilst the non-energy sector posted a growth of 6.8 per cent, this was largely due to Government's injection through economic and social programmes.

We have to look at transfers and subsidies because they have increased by 300 per cent between 2001 and the end of 2006, from \$3.5 billion to \$10.6 billion. We have to look at the non-energy fiscal deficit which has increased from under 8 per cent in 2000 to 15.5 per cent of the gross domestic product at the end of 2007. This indicates that the Government is becoming increasingly reliant on the energy sector revenues to meet commitments in the rest of the economy, contributing to increased liquidity; bank credit and demand, all of which fan the flames of inflation in our nation. It is public sector pressures that are contributing to the inflationary spiral in our country. As this continues, the Government is committed and bent on bringing about further injection into our economy. The time has come

*Finance (2007) Bill*  
[SEN. MARK]

*Tuesday, January 22, 2008*

when the Government must recognize that these measures before us, whilst we have no power to stop them because we do not have the power as a Senate to stop them, we have pointed out areas of dissatisfaction in their approach to budgeting in our nation.

I will like the Minister of Agriculture, Land and Marine Resources, Sen. the Hon. Arnold Piggott to tell this country whether he is aware that 3,000 acres of citrus located at Todd's Road, I understand, were subdivided into 50-acre plots for distribution to farmers. The land has since been allocated and Cabinet has approved the allocations. Two 50-acre plots were allocated to Citrus Growers Association to facilitate its relocation. However, I have the names, but for purposes of the Minister getting an opportunity to report to the Senate, I would not release them at this time. I understand that senior public officers and their wives who are not farmers have been allocated 50-acre plots because they manipulated the allocation process. I will like the hon. Minister to tell the Senate—the 3,000 acres of land at Todd's Road which were supposed to be allocated to farmers—“how come big PNM public officers and their wives were able to arrest these 50-acre plots of land for themselves, and the farmers who were supposed to benefit from these lands are still out in the cold?”

I call on the Minister to give the Senate an explanation for this scandal in his ministry. I have the names of the individuals here. I will not burden you with those names at this time. I would do so on another occasion. I give him the opportunity today to tell the Senate. He is presiding over a ministry where lands that are supposed to be distributed to farmers are being huffed and stolen by senior PNM public officers and their wives for their purposes. I say no more at this time. I have the names here and I would produce them at the appropriate time.

There are many problems with this administration. The society is not happy with them. The Government has failed the nation. It is spending our financial resources recklessly and obscenely. It has been unable to bring about improvement in the quality of life and the standard of living of the ordinary people. In this country, income inequality in terms of the distribution of income and wealth has worsened under this administration. The middle class is fast disappearing. They are either falling out of that particular class into the working class or some, if they are lucky, like these public officers can elevate themselves or mobilize upward to the rich bourgeoisies.

I will like to see a study on the genie coefficient which is a measurement of the extent of the inequality of income in a country. We have done no study on this matter. The Central Statistical Office that is supposed to be doing work in that

area—if you go to get information on the extent of the income inequality in our country—has no information on it. The last time some work was done was by Dr. Ralph Henry in 1972, when the genie coefficient showed that income inequality was worsening in Trinidad and Tobago. Today we do not have that information before us, but the evidence is clear from what we see on the ground, that the people are becoming poorer. The rich are becoming richer and the poor people are becoming poorer. This Government has done nothing to bring about through policy measures, the kind of equality of opportunity for the poor people of our nation.

The hon. Minister of Agriculture, Land and Marine Resources has two areas to answer this evening. Tell us about Blue Waters. You see I am drinking it a lot; I have to be careful. Tell us how Blue Waters was able to arrive at 450 acres of land from Pernod Ricard and the theft that is taking place by senior PNM public officers, in terms of agricultural lands. I have the names here, but I would give you a chance to tell the Senate what is going on under your nose in the Ministry of Agriculture, Land and Marine Resources, of which you may not be aware. You have to explain because once you are there, you are accountable and we hold you accountable for all the misdemeanours that are taking place in the ministry.

We hope that the hon. Minister in the Ministry of Finance, Sen. the hon. Mariano Browne, a very colourful character—we will like him to explain to you and the Senate why the Government has to engage on a perennial basis on supplementary budgeting, when in other jurisdictions there are new methods and approaches to deal with budgeting. I think my colleague who went with me to Washington would be aware of new methods and approaches for budgeting and not this old, outdated and worn approach to budgeting.

Thank you, Mr. President, for allowing me to make my contribution on this very important Bill.

**Mr. President:** Hon. Senators, let me caution all of you that the character of Senators should not be called into question in this Chamber.

**Sen. Dana Seetahal SC:** Thank you, Madam President, Mr. President. It is a Freudian slip, are you suggesting? Sorry, Mr. President. It is just habit and the way that things are moving these days with the education of women in the various universities we have, many of whom are expanding into roles and being in charge of so many things, that it is easy to slip.

Nevertheless, I want to follow from what the previous speaker, Sen. Mark said, in terms of why are we still coming with this old-fashioned method, “a Supplementary Appropriation Bill”? About four years ago I made the point that in

any event this is illegal. It means that we have breached the terms of the last budget and let us not forget that it is an Act. In the Appropriation Act we have approved how we would spend that money. Of course, people may not think of it like that, but when we change around the spending that we have approved and come afterwards, now, to legitimize it, at this point in time before it is passed, all those transfers are illegal. We might want to think about engaging in the new method of dealing with the supplementary appropriation.

**Sen. Enill:** I want to understand what is being said. In the other place when the budget is approved, what is approved basically is a head. You would have Head 16: \$10 billion or \$3 billion. The appropriation seeks to report on how that \$10 billion was spent. The approval given by Parliament for the spending has not been violated.

**3.00 p.m.**

**Sen. D. Seetahal SC:** My response is that, first of all, we are dealing with the supplementary appropriations and if we have a budget through the Appropriation Act passed with a schedule and we go over that, it means that Parliament has not yet approved the allocation, so that is wrong.

In terms of the transfer, my understanding is that the allocation to the various ministries and even within the ministry is in the schedule. If the allocation within is not in the schedule, then I agree with the Minister. My understanding is that there is a breach of the schedule that forms part of the Act. I know it is not that big a deal; we do it every year. If we are to take our legislation seriously, which we ought to do, we ought to find a new way of doing it.

My point under the supplementary appropriations is that I would like to know—I have asked others and no one has been able to tell me satisfactorily—what is the benefit we have gotten from the closing down of BWIA and going with Caribbean Airlines. I have travelled with Caribbean Airlines and I have seen no appreciable benefit in service or in the routes. In the last year, they have cut down their routes to London—I am sure there must be some valid reason—and it is totally inconvenient. If we are talking about moving to First World status in 2020, one would have expected that we would have a national airline with routes to major cities like that on a daily basis. It seems to me that moving towards Caribbean Airlines and all that it connotes is a retrograde step in terms of our development. Now we are allocating an additional \$700 million, I would like a reasonable answer to that question, not only on my own behalf.



The second Head is the Transfer of Funds, not only between Ministries, but within the ministries. I have looked at the Ministry of National Security, in particular, pages 4, 16, 17 and 18 of the document given us. Page 4, Mr. President, of the document deals with the non-payment of overtime to the tune of \$20.8 million and the non-replacement of vehicles, at first \$28 million to the police service and \$11.9 million to the Trinidad and Tobago Regiment, which is euphemistically called a saving. If you do not buy something, it is not a saving. My understanding of saving is that if you have allocated \$1 million and it is less, then you have a saving. If you do not spend it, you do not have the capital equipment, so it is not a saving. You did not spend it, and now you have moved the money to other items.

The Minister explained that there was some problem with the overtime, but my understanding, Mr. President, is that somewhere in that ministry, within the various departments, there was some inefficiency. The police officers work overtime every day; they are required to work overtime when there is sudden crime, which we have every day. No one can tell when a murder, a robbery, a kidnapping or anything of that nature is being committed. Some officers, by virtue of their position, do not get overtime—I am not sure I understand why that is so. If they are not paid—and the explanation for that is at page 16; and I do not think it is a reasonable explanation—

“Given the number of police officers to whom arrears of overtime was due based on revised salaries, the accounting unit was unable to process these payments before the end of the year 2007 and \$20.8 million was available for transfer.”

When you plan your business and you know what you ought to do, you ought to factor all these things into it when you decide what you are allocating and these are the officers who have worked overtime. Months after you have worked overtime, not only in this Ministry, but in other ministries—sometimes a year after you get paid overtime. That is something to look into. There are too many things within ministries that are inefficient.

I know Sen. Dr. Saith may say that is the type of public servant you have. I have heard others say you will have to deal with the staff you have. I know that in some ministries things appear to operate more efficiently. Why, in the Ministry of Planning, Housing and the Environment, for example, there are people doing their jobs so that buildings are being constructed and things are moving along? I know that in the Registrar General’s Department things move, from what I have heard and seen. It cannot be that simply because you are a public servant, you do not work. That has to be looked into and we need to get some better answers.

Because there are officers who feel that no one appreciates them—it might sound trivial, but if you are unappreciated and you keep getting blows every day in the newspapers—they are worthless police officers; they are not any good; they can be replaced by security guards, who are not trained as police officers and who do not have the powers. Historically, police officers grew out of society's desire to allocate to one group of persons our natural powers to protect ourselves and we gave them these powers of arrest, search and seizure and in return they are supposed to maintain law and order. Now they are being told that they are not doing their job; they are corrupt; they are lazy and we hand it to a lesser mortal called a security guard. Then there are things like overtime not being paid; vehicles that are not being purchased; you hear people say they called up the station—even if it is not true—and they did not have vehicles and we can never test if that is true, but that is the report.

I see here that there were \$39.9 million not spent on vehicle replacement, and \$28 million within the police service. The Government has allocated this money to replace those vehicles we hear about all the time. I am not sure if it is just replacement or new vehicles. Yet that was not spent because of the lengthy procurement process required for the acquisition of vehicles and specialized equipment and because contracts were awarded too late. Are those good reasons? I do not think it—the failure—is excusable. A procurement process is required for the vehicles. If it is so lengthy and it stops things moving along, it should be stopped and you should replace that procurement process.

Insofar as where the money is allocated, according to the statement before us, \$427 million has gone to the supply of offshore vessels for the Trinidad and Tobago Defence Force. I have no doubt that there is need for offshore patrol vessels. We are an island and anyone in the know realizes that drugs come from the South American coast to Trinidad; we deliver it across to North America, England and other parts of Europe. The Minister of National Security has made it known that heroin is the new drug of choice in Europe. We do not only have marijuana, a primary drug within the Caribbean and the United States, but cocaine, which is more valuable, and the most valuable and addictive drug, heroin. It is therefore imperative that we have these boats. I do not know if they are the quick Interceptors that we have had in the past. I believe we have only had four. I think we need more information as to the number to be now acquired. I do not think it is a national security issue as to how many, how they will operate and how we are allocating them. My understanding of where you have the regular trafficking is along that part of the south-western coast and along the Godineau River. It has for years been known and it is passing strange that we have not been able to have any patrol of a suitable nature of that area.

We need to have more information. If we are spending \$427 million on the long-overdue purchase of this equipment, we need to hear something more. I will tell you why. It has been said elsewhere more than once that the central cause of crime in this country is drugs. I do not know that anyone did a scientific study. People just like to say these things, but from the fact that at least 1,000 persons in the prison out of about 3,900 now and 4,000 are there for drug trafficking and drug use offences—that is one-third—one can conclude that many crimes are purely crimes of possession; as much as 25 per cent. That is the most single crime in the prison.

Apart from that, of the others, if you follow the registration form in the police service as to whether the person was on a drug or alcohol, another 35—40 per cent of persons involved in crime are involved in the drug trade somehow. In other words, many crimes are because of the fight for turf and so on. I therefore agree with the authorities who say that drugs in their various connotations—usage, trafficking, fighting for turf, fighting for the best drug, killing people who steal your drugs and your clients—must be a source of a lot of crime.

Therefore, it seems to me that, not just provision of the patrol vessels, but many other measures must be in place. I said in this Parliament previously that we do not do enough to deal with the users. Not all drugs are exported. Probably about half of the drugs that pass through this country are consumed right here and what are we doing about the users?

I have asked this and people have talked in different budgets about giving money to assist in many voluntary programmes. That is nothing. I have stood here and said that 20 per cent of people in this country use drugs. Nobody asks how I know. They may think I just pulled the figure out of the air and that is not so. It is based on an extrapolation of persons in secondary schools, persons who are criminals who come before the court. You figure it from that.

I do not know about people's private lives and I will not get into the character of any Senator as the President has asked, but I am sure many of us who sit here must be able to point to a member of their immediate or extended family who is an addict—or more than one. I have one in my family. I do not know if people want to admit it, but in this country everyone has a relative, an immediate relative or someone close who is using drugs. If you think about that, you will realize how many people must be serious users of drugs. For the rest of us who are not in it to sit back and say that is it; they can stop if they want, that is not how it is; it is a situation of there for the grace of God go us. It is time the Government invest efforts in dealing with drug users and the drug traffickers will fall by the way if there are no users. At least, they will be reduced.

**3.15 p.m.**

Of course, you can deal with the traffickers. Of course, you can try to prosecute people who bring drugs into the country, but you also need to look at the end of the road, so to speak, and attack the drug-using problem. One idea that has been put forward has been the Drug Court. [*Interruption*] Yes, we have put it forward. I see the Minister of National Security nodding. Yes, it has been put forward and we know it is coming. But when? It is like the MILAT and MYPART programmes—2003, 2004, 2005 and 2006 it is in being. Do you how many people's lives could have been positively affected if it had been in being before? We are taking too long for many of these measures.

What people misconceive meanwhile is that you have a Drug Court and all the drug crimes will go on. People actually tell me: "But, we have a Drug Court in Trinidad." What do we have? We have Court 4A or 4B in the Port of Spain Magistrates' Court where they send all the drug-trafficking offences. There is Court 10, where they send drug possession. It is the same ordinary court, it is just that you shove all of them. There must be two courts because of the number of drug offences. That is the problem.

We do not have a treatment court, as in many states of the United States and other countries, where they provide for treatment. If you take the treatment and you are clean, then your conviction is wiped off. It is a kind of social treatment. I think that is something that is vital and we need to look at it.

Another thing that we need to consider is that approximately three years ago there was a drug bust on Monos Island where approximately 1,700 kilogrammes of cocaine were seized. When you calculate that, it was over one ton. People like to talk about a "ton" of something to tell you that it is a lot. This was literally, actually, over a ton of cocaine. Think of how many people who can become addicted by that. Just smelling it would have turned on some people. When the matter was going on in court, I remember there was an objection to the smell because it was so bad. Since then, however, we have had no major drug busts. Do you know that in 2007, only a few million dollars worth of cocaine were actually seized? During that time we were supposed to have improved our detection method, the patrolling of the coasts and all of these things, but something did not work. You cannot tell me that drug use decreased in three years. It did not. It meant that either the detection was not good or the people were finding a way to escape the detection. In the last two years we have not had any significant drug seizures. Last year was the worst. If it is that drugs are the core of a lot of the crimes here then, obviously, we are not dealing with it or not dealing successfully with it. We have to face that fact and come up with some solid answers.

Now, Mr. President, there are a couple of other points I want to make. I see at page 21, in the Ministry of Education, there is a transfer of \$42.3 million and the explanation is this:

“For the procurement of textbooks under the Rental Loan Programme for Secondary Schools in the 2007/2008 academic year.”

Did we not allocate any funds for that in the budget in early September last year? Is this not a regular feature? Do we not, every year give a rental on loan of school books? If it is so, how is it that we are spending \$42.3 million? Is it additional? Clearly, we need some more answers. If it is additional, that is a lot of money to spend on textbooks, although I guess we need to do so, if it is necessary for the education of the youth.

Mr. President, insofar as the Ministry of Health is concerned, I see here that there is a savings from the VSEP exercise for employees of the Ministry. This had not been completed by the third quarter of 2007 and, therefore, all of that money was saved. I find throughout the last budget many times we are seeing recurrently the theme that this was not completed, this was not done, either back pay was not paid or overtime was not paid and we had a savings. In another place, that might just be called inefficiency. You did not pay the back pay or complete the VSEP exercise. I do not mean the Government. I am talking generally. It really means that something is not working. When you calculate this period of time for things to happen and they do not happen, then you must have a review of why it is not happening, rather than come and say: “Okay, it was not completed.” And then positively you say: “We have saved money.” It is sounding like you should be complimented for saving this money when there was some kind of massive inefficiency.

There is one question I want to ask in relation to the NWRHA. At page 6, I note that the NWRHA is being allocated as a transfer, \$31.5 million for salaries and COLA. I do not know if Members could recall, those who were here at the last session, but there was, two years ago, an issue with the NWRHA taking moneys that were supposed to be paid for income tax and using it to pay salaries. I asked the then Minister—it was in the newspapers—what was being done and if anyone questioned those officials. Because, if that is so it was a breach under the Income Tax Act and it is an offence. I am not saying—it may sound like I am saying everything is an offence—to charge somebody. If people are in positions like that, you have a fiduciary duty to pay your income tax and NIS from the money collected for it and you do not. These are persons who are state employees. What kind of example are they setting? That was the question I asked. We should look

into it. I see, however, they are getting money to pay salaries. Nothing came out of the previous incident. What is it telling people? You can do this. You use funds even though you are saying ultimately: I did not spend it for myself. That is the next step, surely. If you can avoid paying income tax and NIS and taking the money and diverting it as you please, who knows what can happen? There have been previous allegations about irregularities there. I think that the NWRHA's operation system needs to be looked into. I hope the Minister in the Ministry of National Security, who may not have been aware of the previous malfunctioning, looks into it.

I have two questions in relation to the Ministry of Public Administration. Why do we have a Board of Film Censors? What do they actually do? I know it is censorship, but do they censor anything? The type of films I see on television, *Sex in the City*, at 6 o'clock in the evening—I have no problem with people wanting to look at *Sex in the City*. That is freedom of choice, but the content of the regular things on television seems to make the Board of Film Censors otiose at this time. If we are going to spend money on this, tell us what they do and at least modernize their roles into some way to make it meaningful.

What is the Trinidad and Tobago Country Code Top Level Domain (TTCLD) Board? I asked my colleague, Sen. Ali, if he had ever heard of them because he knows these things, and he has never heard of them. Seeing we have given remuneration to this board, I would like to know what they do. Trinidad and Tobago Country Code Top Level sounds like something to do with the city code. It is a guess, but I would like to know.

My second to last point, I am coming to the end, is in relation to UDeCott. This is on page 25 under the "Ministry of Public Administration and Information" formerly chaired by Sen. The Hon. Dr. Lenny Saith. There are reasons for savings. It has to do with the money that was saved, \$3.9 million. The refurbishment and outfitting of buildings in St. Clair by UDeCott would have been completed. It was anticipated that this would have been completed and the lease arrangement finalized, however, construction was still ongoing. Mr. President, it might sound like nothing, unless one considers that is not the sole building that I know of personally that UDeCott has not finished or at least started.

What about Mille Fleurs? Three and one-half years ago, the then Attorney General stood right there and gave an explanation as to why Mille Fleurs was taken back from the Law Association. It was said that there was a special arrangement between the previous Attorney General and that the Law Association was not doing what they were supposed to do, although they had done some

refurbishment. I pass sometimes, when I still get a chance, around the Savannah and I view—it is more fast walking—that building and it is just going down. I do not know if there is still a security guard. If there is still a security guard, what is he guarding? There is nothing there. The building is dilapidated and getting worse. If I own property on either side of that building, I would sue the Government for having my property value go down, but I do not, unfortunately. Not that I am telling the other owners to do it. I really do think that we have to look into how UDeCott performs its functions; not only UDeCott, of course, but, Minister of National Security, those persons who have not built those police stations.

On September 04, the Minister told me that this year, 18 new police stations would be built because of the packages. I have it on record. *[Interruption]*

**Sen. Joseph:** I thank the Senator for giving way. Just to make sure the records are complete. I said over the next three years we intend to build 18 police stations. We have said that with a degree of confidence, because we have now found a new formula to deal with the question of how we are going to get that done.

**Sen. D. Seetahal SC:** I am sorry to contradict the Minister of National Security, whom I recognize is working extremely hard at his job, but in the *Hansard* of the budget debate of September 04, it was quoted in my contribution:

“In the new fiscal year eighteen new police stations will be constructed...”

That is from the budget contribution.

“In the new fiscal year...”

I take that to mean one year. The question was asked:

“I would like to know whether 18 police stations were constructed in the last five years and if they were not, why are we to assume that 18 will be constructed in one year?”

The answer was:

“Because the approach we are going to use is different. Given the experience we have had over the years, what we are going to do is to bundle them into acceptable packages for which we are confident that persons will bid and in the circumstances we will be able to construct the police stations next year, contrary to the problems that we have had in the past.”

Now, I have no doubt that the Minister was being optimistic then, but he did say next year. It was real optimism. I realize now that it is being qualified to three years and that might be possible. The point is that all of these buildings, Mille

Fleurs, UDeCott, whoever is in charge, something is wrong. I am not sure if it is that in the awarding of contracts, that community leaders were getting these contracts and they were not doing the job and now we will be having the Chinese who are able to come in groups, under the amendment to the Immigration Act and, therefore, those buildings will be built. If that is so, then I certainly, as a citizen of this country, cannot object, rightly because we will get 18 new police stations.

**3.30 p.m.**

I heard no real reason for who have these contracts. Why did they not perform? Why did we not sue them? Why did we not terminate the contracts? Why did we not get the contractors who built those 27,000 houses in another ministry? That is my point. Those are the kinds of questions that I would like to have answers for.

Finally, the Ministry of Public Utilities stated at page 31 that the planned expansion of the Community-based Environmental Protection and Enhancement Programme (CEPEP) in 2007 was postponed. These kinds of explanations are not good enough. I have said that, I think CEPEP is infinitely preferable to the Unemployment Relief Programme (URP).

I would have liked to see something like no money was spent on URP, because it was closed down, but another Minister, who is no longer in this Senate told me that people felt bad when I said that URP should be closed down, as if that mattered. It does not matter at all. If URP is, as I saw it, a programme which facilitated criminal behaviour and activity, then it needed to be closed down. If you are to replace it with a viable programme, then CEPEP is more viable.

My point here is not exactly that, but it is if we are saying that the planned expansion in 2007 was postponed, tell us why. Is it that the expansion was going to include URP and it was not a good time in 2007, because of the election—I do not know—to not postpone it? Is it that people were quarrelling, or as some people say, the assignment of contracts came under criticism? I do not know. Frankly, I would like to make that point. This is an example of non-explanation.

Accountability and transparency is what I saw on the two front pages of the last budget speech. I would like to have those things made clear. Those would be my comments.

On a personal note, I would like to thank the Minister of National Security for his direct involvement in a matter involving a candidate in the MILAT and MYPART programmes, which for the first time in Trinidad and Tobago was used



as a probation source. In other words, the probationer, a person who had been convicted, pleaded guilty to manslaughter. That person was 15 years old at the time, and is now being placed in that programme—MILAT/MYPART. We hope that it will work. So far, everything is going fine, but it is the first time that we were able to get someone outside, who had specific problems to be dealt with, in a programme of that nature where he would be under a military discipline, and for three years he will have training opportunities which is the kind of programme that I think is good for many of those displaced young men in the country.

Thank you very much.

**The Minister of Agriculture, Land and Marine Resources (Sen. The Hon. Arnold Piggott):** I rise this afternoon to speak to my brother across the hall, Sen. Wade Mark. I knew him at a time when I was in the financial sector in banking. He was always on the other side.

**Mr. President:** Ministers are referred to as Sen. The Hon. and Senators who are not Senators are referred to by the title Senator and their names. Thank you.

**Sen. The Hon. A. Piggott:** Mr. President, thank you very much for that guidance. [*Laughter*] Sen. Mark has always been on the opposite side to me. At one time, I was an executive member of the bank, and he was representing the trade union movement, but we always had very good and cordial relationships, and I am happy for that as we continue to maintain that. He spoke on the subject of agriculture in some way, and I thought that I should bring some clarity to the national population on the issues.

Firstly, I want to underscore the point that the primary objective of the Ministry of Agriculture, Land and Marine Resources is to improve food security and to reduce the food import bill. To achieve these objectives, the Ministry of Agriculture, Land and Marine Resources has targeted some key variables in delivering to the national population:

- (1) increasing the acreage of land under agricultural production;
- (2) increasing the number of persons involved in food production;
- (3) increasing support for persons engaged in food production; and
- (4) increasing financing for agricultural and related areas.

We are hoping to increase the agricultural sector contribution to GDP by 2 per cent by the year 2010.

Mr. President, we have been pursuing a number of objectives. Before I go to those objectives, perhaps I can speak to the Senator's comments when he went into a little surge, in terms of the economic side of things. He talked about the UNC making a contribution to the Heritage and Stabilisation Fund of \$1.1 billion, and that the PNM made \$2.1 billion even though we have more money.

Mr. President, I want to ask the Senator: What did they do for the development of this country in the period they sat there? What development were they engaged in? What housing programme did they develop in that period? Absolutely little was done to improve the social fabric, the housing stock or the infrastructure in Trinidad and Tobago.

If the population has very little to spend, what effect would that have on the inflation rate that he said they were able to maintain at low levels? The people had no money to spend in the way that they now have. If you have more money to spend now—by having more disposable income, more money is chasing after more goods—then what does he expect?

This Government is a caring and good Government that exercises good governance and good fiscal judgment. The Government, seeing that the inflation rate is moving, took the necessary action to cause the inflation rate to roll back from 10 per cent to below 8 per cent. What did they do for the development of this country in dealing with these issues of the economic sector that he is talking about?

On the one hand, the Senator talked critically about the overheating of the economy, and on the other hand he talked about the economy slowing down. Well, I want him to explain to me which one he prefers to deal with. Which one is preferable to him? Is it overheating or slowing down or a mix? This Government brought balance to this in very short order.

It is by good governance and excellent fiscal management, the Senator must know that the Government of the Republic of Trinidad and Tobago, led by the hon. Patrick Manning—the PNM Government of which I am proud to be a part—is dealing with the economy in an excellent manner.

The Senator also talked about the human development index, but I would not go too much into those areas at this time. What I am going to do is to deal with one of the specific questions the Senator asked about Blue Waters.

The land in reference is under lease to a particular company. It is in the name of a company. My friend with whom I have had discussions with respect to financial matters before, must know that an owner of a property, individual or

corporate, would have the right of transferring the property, selling the property or otherwise dispose of it to another company. That is a commercial transaction over which the Government or the Ministry of Agriculture, Land and Marine Resources would have absolutely no control.

The control that the Ministry of Agriculture, Land and Marine Resources and the Government would have is with respect to the use of any land which is leased to anybody, and which is under lease from the State.

So, if the lease specifies residential purposes, then it is residential. If it seeks to vary the lease to multi-residential or commercial, then an application must be made and the State, in considering the application, will decide whether to vary it. If it is deemed to be agricultural, it must remain agricultural. That is what the Ministry of Agriculture, Land and Marine Resources and the Government has the responsibility to do, not to determine who owns what in terms of commercial activity. That is perhaps what the UNC would have done in prior time. That is why the economy was stagnated and the country was not growing and developing. Nothing was happening under them.

The benefit that the UNC sought was not for the national population, perhaps it was for the benefit of celebrities within their clique, and not the national population, hence all the social and economic issues the Senator has raised, bear relevance to the extent of how they dealt with the situation at that time.

Mr. President, the Ministry of Agriculture, Land and Marine Resources, through the Land and Water Development Administration North and South Divisions, has been responsible for the rehabilitation and the creation of 250 kilometres of agricultural access roads across the length and breadth of Trinidad and Tobago from fiscal 2002—2007.

Development works in this regard made available approximately 33,500 acres of land for active agricultural production, servicing in turn more than 3,000 farmers. The Government injected \$125 million into the infrastructural development in the area of agriculture for fiscal 2007 alone. That is what this Government is doing for agriculture.

The Ministry of Agriculture, Land and Marine Resources, Land and Water Development Division rehabilitated 57 kilometres of access roads servicing 1,196 farmers on 8,270 acres at a cost of \$111 million for fiscal year 2007. These activities existing on virgin agricultural land have been more accessible for farming with the consequential increase in agricultural output. I hope the hon. Senator is hearing what the Government under the PNM has been doing in this regard.

Further, these same agencies injected \$16 million into the Water Management Development Programme for the agricultural sector for fiscal year 2007. The Regional Administration (North) installed three pumps at Depot Road and three at Plum Mitan; 248 farm ponds and over 135 sluice gates and related infrastructure were also constructed—your money, my money and the population of Trinidad and Tobago’s money working for agricultural development and production in the Republic of Trinidad and Tobago.

Mr. President, the divestment of Caroni (1975) Limited lands has been designed to make lands available to former Caroni (1975) Limited workers and the national community for food production. The plan entails the development of 7,802 two-acre agricultural plots, developed on 17 sites that constitute a total of 18,575 acres of land.

Mr. President, 6,648 former Caroni (1975) Limited workers were invited to view their plots, and 4,324 accepted the invitation thus far.

Infrastructure works have commenced on these sites and plans are in train for acceleration of infrastructural development. As late as this morning, in conversation with the technocrats, we have been assiduously working and accelerating the programme for the agricultural development, so that we can hand over the land to the former workers of Caroni (1975) Limited.

In terms of resuscitating the citrus production, Sen. Mark made reference, very unfortunately, castigating and implicating people. Fortunately, he did not call names. He said that lands earmarked for citrus production at Todd’s Road have been apportioned unto themselves by senior officers of the Ministry of Agriculture, Land and Marine Resources. Sen. Mark, it is rather unfortunate that you have said that and without calling names.

My ministry has no information that senior officers have been apportioning unto themselves 50-acre plots which have been designated for citrus growing at Todd’s Road.

**3.45 p.m.**

If, indeed, there are people who are in retirement or who were at the ministry, who are willing to farm and qualify for lands to grow citrus and to produce citrus, then, Sen. Mark you should applaud them. If by using their technical knowledge and their experience they are now able to come into lands to farm the lands to feed the nation, then I think, you too, need to applaud them.

I would not go into the question of whether there were other people involved and what other innuendo you may have wished to bring to it but I would hope that as you speak about obscene overspending which this Government is not engaged in, that you will not engage in obscene maligning of officers of the Ministry of Agriculture, Land and Marine Resources. Further, Mr. President, the Government of Trinidad and Tobago expects to spend an approximate \$588 million on the infrastructure development of Caroni lands for agricultural purposes.

We come now to the 100-acre-farms which this Government and only this Government would have the foresight to develop in this twin-island Republic of Trinidad and Tobago as it seeks to foster increased local food production. The Ministry of Agriculture, Land and Marine Resources is therefore seeking on behalf of the State—your State, my State, our State—eight large-scale commercial farms throughout Trinidad and Tobago and they are: Jerningham, vegetable crops; Edinburgh, vegetable crops; Orange Grove, vegetable crops; Caroni root crops and rice; La Gloria, livestock; Mon Jaloux, integrated farming with crops, livestock and aqua-culture; Picton, livestock, tree crops and root crops; Tucker Valley in Chaguaramas, 200 acres, food crops; the management of which will be with the technical support from the Cuban Government with whom we have been collaborating. And, I am sure the hon. Sen. Wade Mark is aware of a Caricom initiative in which Trinidad and Tobago is engaged with Guyana to prepare a plan of action for partnering in food production with their abundance of land and labour, in Guyana, all of which would redound to the benefit of Trinidad and Tobago and the entire Caricom region.

As the population within the farming community ages—and the average age I am told is somewhere around 60 years—my Government, the Government with the rubric, the People's National Movement, had the foresight in 2002, I believe it was, to establish a programme in agriculture for the youth and it is called the Youth Apprenticeship Programme in Agriculture and it is dubbed with an acronym called YAPA. That programme seeks to train young persons in aspects of farm management, crop cultivation and livestock production needed to effectively engage in commercial farming.

The programme contains both practical and theoretical components carried out largely on actual farming facilities and in classrooms respectively. The programme consists of two phases with promising graduates of eight-month YAPA phase 1 moving on to a more intensive nine-month YAPA phase 2 course of study.

Since its creation in 2002 in excess of 7,148 young persons have been trained under YAPA phase 1 and an additional 335 persons under YAPA phase 2. During its last cycle, 235 persons were trained under YAPA I, 75 persons were trained under YAPA II for that previous cycle.

Mr. President, it tells you that we have a plan. We have a plan for bringing younger people to replace those older, more mature people who are retiring from agriculture. The Ministry of Agriculture, Land and Marine Resources has been increasing support for persons engaged in food production and this is by way of incentives. The purpose of the various incentives offered by the Ministry is to make engaging in productive and profitable agriculture activity easier and more attractive to agri-entrepreneurs. Examples of some of the packages under the Ministry's Agricultural Incentive Programme are as follows:

- i) Vehicles; new wheel tractors—15 per cent of the purchase price up to \$25,000 per cent is refunded to the farmer;
- ii) Imported used refurbished wheel tractors—15 per cent of the purchase price up to \$15,000 is refunded;
- iii) Land preparation; tillage operation—25 per cent of the cost up to \$200 per hectare, available to the farmer;
- iv) Machinery and equipment; trailers—50 per cent of the purchase price up to \$3,000;
- v) Machinery and equipment—50 per cent of the purchase price up to \$25,000.

These are all incentives which the ministry is providing to help people and accelerate our agricultural production in Trinidad and Tobago. These incentives are presently being revised. Sen. Mark and his group might be happy to know that. These incentives are being revised so that farmers can look forward to an improved package within the coming year. Government, through the Ministry of Agriculture, Land and Marine Resources has provided agricultural incentives to agri-entrepreneurs to the tune of \$13,188,378 for fiscal 2007 alone. Here, I am not talking about the farmer. I am talking now about agri-entrepreneurs, those people who are going to convert the product that comes out of the farming into finished products and other products and to operate a business in that regard.

Mr. President, how do we create crops? There must be some avenue to create the crops, and the way we go about this now, we have to deal with the seedlings. We have to have seedlings to plant. And I remember as a young boy, hon.

Senator, I planted many a peas and corn in Tobago and I reaped it too. I planted cassava and I reaped it too; I planted potato slip and I reaped it too, in Tobago. Tobago used to be the food basket of Trinidad and Tobago. Did you know that?

**Sen. Mark:** What has happened?

**Sen. The Hon. A. Piggott:** You answer that question, Sir.

**Sen. Mark:** Me?

**Sen. The Hon. A. Piggott:** Yes.

**Sen. Mark:** You in power, “boy”.

**Sen. The Hon. A. Piggott:** You answer it. Mr. President, I wish to advise the Senate that additional support is given to the nation's farmers in the form of seedlings and germ plasm. Both the Research and Agricultural Services Division (ASD) of the Ministry provide these seedlings to farmers for producing hardier, higher yielding, disease and pest-free, pest-resistant plants, thereby fostering increased production. Similarly, the Agricultural Services Division provides farmers with planting material throughout the year to ensure that the farmers can plant year round, thereby having positive impact on the country's agricultural output. In carrying out this mandate for fiscal 2007, the ASD produced for distribution a total of 565,613 seedlings to farmers at reduced cost. These included cocoa, breadfruit, citrus, mango, avocado, assorted tropical fruit, spices and ornamental.

Mr. President, we have, as well, the National Agricultural Marketing and Development Company (NAMDEVCO) which has made a significant contribution to the agricultural sector. The National Agricultural Market Information System (NAMIS) is a database of marketing and ancillary information which will allow farmers, agri-food entrepreneurs, consumers and policymakers to forecast shortages and gluts of commodities within the system. The implications of NAMIS for the overall development of the sector are enormous. There is little doubt that this initiative has, and will continue to positively affect the nation's agricultural sector.

I turn now to that which I think I will close on, and perhaps I will get the hon. Sen. Wade Mark to listen to me, the Agricultural Development Bank, an institution which is under the Ministry of Agriculture, Land and Marine Resources, as it plays a very important role in Government's overall plan for Trinidad and Tobago's agricultural sector. It provides financing for farmers, which is necessary if they are to increase levels of food production and profitability.

*Finance (2007) Bill*  
[SEN. THE HON. A. PIGGOTT]

*Tuesday, January 22, 2008*

The Agricultural Development Bank has developed several new products in support of its business development thrust, some of which are—and perhaps those of the people who have large estates and those, particularly in the cocoa, which cocoa is king—cocoa revitalizer loan programme to support the revitalization of the cocoa industry; the grow-save loan to promote the use of good agricultural practices; the youth window which offers the lowest interest rates to attract young people to the sector; the honey money product which supports increased honey production.

The Government of the Republic of Trinidad and Tobago provided the ADB in fiscal 2007 with \$30 million for lending, all of which was disbursed. For the fiscal year 2007/2008, \$75 million is being made available to the bank in the current fiscal year. The ADB is currently developing a loan package to assist poultry producers in adopting a new process which we refer to as tunnel ventilation technology. All of these initiatives which are enunciated, and those which I will enunciate as time goes on, I expect will yield significant benefits to the national population in due course.

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

**Sen. Dr. Carson Charles:** Thank you very much, Mr. President. As I sat here preparing to make my contribution on this debate and to support my colleagues on this side, I was taken aback by the comments of the hon. Minister of Agriculture, Land and Marine Resources. I thought I would start by just briefly referring to a couple of things he said. Of course, I am happy to see he has such passion for his party, his Government and his portfolio. This is excellent. [*Interruption*] [*Laughter*] Good way to start. I think he had passion sometime ago for the Ministry of Works and Transport. [*Laughter*] [*Desk thumping*]

This passion really cannot excuse his comments justifying inflation—it is a fantastic achievement of bringing inflation down from 10 per cent to 8 per cent. That is something to be happy about? I do not think so, I think people are happier that—you know inflation of 8 per cent means that prices are not going down, they are going up by 8 per cent. People want them to go down actually. So there is no reason to congratulate oneself on inflation being 8 per cent or 7 per cent. Inflation is something that we sometimes cannot avoid and we do our best to bring it down to as low as we can, and we should not pat ourselves on the back because we have managed to come down from 10 per cent; the sky did not fall to 8 per cent. An attitude like that is what makes it difficult for his Government to attend to any of the pressing problems facing the country.



**4.00 p.m.**

Talking about the choice between overheating the economy and slowing it down. I think the Minister has a background in finance—but I thought that is rather over-simplifying the issue, is it not? It is not a choice between whether you want to overheat the economy or you want to slow it down, it is management; it is public management. It is a challenging task.

Mr. President, we know that these are the years of plenty. These are the times when we have golden opportunities. I know the Members on the other side feel very comfortable in their electoral victory. A flawed system delivered them to office, but they are here, and therefore, they should at least take themselves very seriously and do a lot better in this term than they did in the last. Do not take the fact that you are here to mean that the population was satisfied and happy with the way you performed last time. Do not take it that way. The Members obviously have to improve if the Government is going to be successful in at least setting the stage for when the UNC-Alliance takes office, sometime in the near future. [*Desk thumping*] [*Laughter*]

Mr. President, these indeed are the years of plenty and it is a serious matter that we should examine what we are doing here today. We are looking at variations that were made in allocations to the Supplemental Appropriation Bill and it is sad that we have to come in the Parliament and only look at money transferred from here, money transferred from there and so on. I thought after all these years, that they would have found a way to account in the Parliament, along with the money transferred for the things that were actually done with the money that was allocated in the first place because this is obviously where the big loophole is. The Government comes here and speaks about what it spent and what it is transferring and so on, but does not account effectively to the Parliament for what was supposed to have been done and what in fact was done. As Sen. Seetahal SC said earlier, what you are referring to as savings in most cases really represents failure, an administrative or a bureaucratic failure at some point in actually achieving a target that you had set yourself.

The Minister in the Ministry of Finance said that the Government prudently managed the nation's resources because of a surplus of \$71 million and because some \$2 billion was placed in the Heritage Fund. What does that have to do with prudence in managing the nation's resources? Prudence has to do with two things: whether you did in fact spend the money without too much wastage in trying to carry out your various projects; and whether in the first place the project that you spent the money on for things that will lead to the well-being, to the improvement

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

in the lives of the people, to the security, not only physical security, but economic security of the nation in the years to come. That is the measure of whether you prudently managed the nation's resources. Not whether you have \$71 million surplus; with a budget of \$40 million, you can have any surplus you want. If you wanted to have a surplus of \$100 million, I am sure you could have it because you would probably increase the budget to \$41 billion instead. These days you can call any number, it is like the supermarket. Just in the same way the Government can call any number it wishes, let us have a budget of \$45 billion next year and so on—they can do that—in the same way when you go to the supermarket, the whole culture of thinking these days, is that a guy can charge anything he wants for anything.

That is the culture now in the country, so you do not have any hold over the marketplace as a consumer when you go to say that this should not be this price. It was just that price yesterday, how could it be this price? You do not have that hold anymore because the culture has changed. So the guy who is selling can say, "Well everything is going up." Therefore, he can sell it for anything. This is what you have to tackle. This is what you have to address if you really want to save the nation. You have to change that culture in which people think they can charge anything for anything. You cannot be setting the example which you have unfortunately been doing by the way in which you have been increasing the budget over the years, and moving money around and so on and calling any figure. You have been setting that tone; you have been in fact promoting that culture. These are the things that I would like the Government to spend their time on because as I have said there is reality. The Government is here, there is a crisis in the country, people are wondering how come elections just went; we just elected a government and we do not know how to solve anything. That is a serious crisis.

If you are going to an election, you are three or four years down the road and you are a lame duck government, it is all right because people would think when you get to the election, you are going to refresh, reform and start all over again. But if the election, the next day people are wondering what is going on, that is a serious crisis and you better deal with that crisis. You cannot deal with that crisis by pretending that everything is okay. You have to address the important issues that are before us. So as I said, deal with the culture, do not try to attack businessmen of a particular kind, blame them and send the police at them, or something like that, to give the impression that they are the ones responsible for changing the prices. Change the culture and you yourself change it by setting the right example.

Let us examine the reality within a few areas of public administration. Every year we are regaled with the talk of the allocations, but what is really important? Well, let us look at some mundane things. The new Minister of Works and Transport, we got a few, and the one we have now is one of my favorite Ministers because he has a very tough exterior. *[Interruption]* Yes, we do not have to go into that little bit of history we have together, but he has a tough exterior which you need as a Minister of Works and Transport; you must have a tough exterior. You must be able to face the problems that come every day at you. So it is excellent to see that he has a tough exterior, but you cannot be so insensitive to the problems of the nation that after spending so many billions you have not built a road. So many new cars on the road, why can we not even build a road, one road somewhere?

Times past, many, many years ago when you had challenges of no money and so on, one tried at least to build a road, so you could say afterwards, "I built that." You have all these billions and you have not built a new road anywhere. That is a serious thing. You are now building the Uriah Butler Highway/Churchill Roosevelt Highway intersection. If some of these Members remember, in the manifesto of the NAR Government in 1986, which is 21 now going on 22 years ago, the building of that intersection was actually stated. Cost, financial situation and so on, one could not do the same things you can do with all these billions, but you cannot tell me now, at the end of the last term, you are now going to build that intersection. It is not good enough. You cannot spend all these billions—every year we mark the increase in the billions and the slightest bit of rain that falls, Port of Spain still floods. You cannot tell me that. You can do better than that.

We have had reports for donkey's years, now. I understand that there are some new consultancy reports out—well there are always new reports out because consultancies are easy to issue and get consultants to tell you over and over—It is actually trying to implement the thing that matters. They have known for a long time now that the drains under Port of Spain are clogged. Not clogged by just dirt and rubbish, they are clogged with concrete and all kinds of things. Contractors were doing works there and left concrete under there and so on; guys cast all kinds of things. So you cannot just remove that by sending some "fellas" down to take it out. You have to do a major job in the City of Port of Spain. Once upon a time, they used to actually go down in those little manholes and clean. When last have you seen guys trying to go down in those manholes to clean anything? You cannot get anything out through those manholes. Water cannot go down under the streets.

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

We cannot be talking about building a nation, when in the presence of all the buildings and so on, the simplest thing right in the capital city where we are every day, we cannot address. Some rain falls and people have to be scampering around; walking in water and we make fun of it; it is in the newspapers and so on as if that is a national joke. We can do better than that and that is my point. So when you talk about moving these moneys around, what do you spend the billions on?

Sure you have to spend money on personnel expenditure and so on; we see it all the time. I am familiar with all these administrative things. Once upon a time I was also a public servant with all these numbers and so on and a big part of your time is spent paying wages and salaries; seeing about allowances, travelling and overtime, but the business of the Government, of the Minister in charge, is to get way beyond that mundane thing of personnel expenditure, wages, salaries and overtime and deal with spending money on developmental things, like tackling the real problems in the country.

You cannot tell me after all these untold billions in our context that—there is traffic everywhere. I am not so familiar with the operation of the city these days because I have not been spending so much of my time in the city in recent years, but now I have to, so I just miscalculated and found myself here late today, it is the easiest thing to do. Now I have to make sure and try to get here a half hour earlier because anything can happen. Traffic is everywhere in any part of the country you go, at any time of the day and that has been so for years and it would continue to be so after all the billions. So what are you spending all the billions on, if not to attend to that problem, for example?

What is your new traffic management plan? Where is the traffic management branch in here? What has become of the Roads Authority about which former Ministers of the same PNM Government were aware? The predecessor of this last one was very much aware of that. I met with him, under another hat I had to talk about the Roads Authority. What about the Roads Authority which was an attempt to introduce a better way of managing the roads in the country, the public infrastructure? One of the things you must do when you have moneys in your year of plenty, is invest in infrastructure and roads are classified as an economic infrastructure. So when you build roads and you manage roads properly, you maintain your roads properly and so on—engineers design roads and after they design, you are supposed to have a road standing there without having to go and pave it for at least 25 years. Engineers are wasting their time doing all these fancy calculations and at the end of the day, it makes no difference because you are going to be inside of there fighting up with WASA in three to four months time,

even fighting with your road paver, who himself might have great difficulty in paving a road and now having to come back and pave it the next month according to how you choose your road pavers.

I am asking the question, Mr. President: How can we be satisfied, so smug, so happy and so ebullient even in the presence of this, when after the billions are spent, you all have to leave here and go up in the traffic, drive up and down bad roads and so on? We travel in other countries in the world and we notice that their roads are not like this. Surely, we can lift our standards.

Mr. President, some talk of rail transport and so on now, I suppose we will get a chance to talk about that at length eventually; feeble attempt at dealing with the traffic problems, talk about rail. The only thing I can say about that, is that I do not see how that deals with the PH taxis that are operating. I think there are more PH taxis now than ever before and I think the police are probably fed up now trying to deal with PH taxis. It is now an accepted part of national transportation, albeit the feeble attempts at building rail and so on, another attempt to spend more billions. How is that going to deal with the PH operations going into Morvant, even South Trinidad, going into every nook and cranny? Where I live in Santa Cruz, after 7 o'clock or 8 o'clock in the night you have to take PH cars if you are travelling by public transport. How can we deal with these things? How can we have the same problems over and over for years and come to the Parliament and talk about allocations and transfers and the same problems remain?

I see some buses were bought last year. When you buy buses at least put some kind of system in place to maintain them, so you would not always have to buy new ones around election time. We would be happy if you buy some at election time and you can keep them for five years and we would have more and more buses over the years, but there is nothing about that, PTSC is nowhere in the scheme of things these days.

I am on transportation so I might as well deal with the Transport Division. I wonder how many Members of the Senate really have to deal with the Transport Division. I do not suppose in this position one has to really bother, you can send someone down to the Transport Division to deal with your documents for you. But if you have to face it like citizens of the country have to—after a while you do not know what to do about it because you know that it is supposed to be something that is addressed by the Government.

You see it every day and you wonder as an ordinary citizen, why is it that they cannot do the simplest things to fix the Transport Division. People say to computerize the Transport Division.

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

**4.15 p.m.**

Once upon a time the Transport Division was computerized, but the decisions taken with respect to the computer system were not good, for one, so the division had to abandon the system, because they were getting all kinds of results. Guys were on the computer systems getting records of a vehicle that you owned, being owned by somebody else. So people eventually had to get the manual certificate of ownership, the certified copy, because the computer generated certified copy could not be relied on. They eventually abandoned the computer system years and years ago.

I feel this is like *Alice in Wonderland*. After all these years I asked myself, "Should I really get up in this Senate and say things that I have said for so many years, a long time ago?" This is the reality; that in spite of all the expenditure, more people these days are getting their licences by passing money. I think it has become much worse than it was before. The prices have gone up a bit, but the services have increased; you can get licences now, I understand, without even having to pass the test in the yard. At least before you had to go and show yourself in the yard, show that you could reverse in the yard, because there was nobody watching, and then somebody could try something. These days I understand from persons I have spoken to, that you do not even have to go in the yard; guys can get their licences without even having to leave their homes. What is going on? This is not a new problem. Members of the Government cannot say that they are not aware of it.

I think their political party is very much in touch with people. It is a functioning party, so you must be getting reports at your party meeting of all the things actually happening on the ground. Why are Members ignoring the things of which they are aware are actually taking place? That is the purpose of a functioning party; not just to win elections.

**Sen. Dr. Saith:** [*Inaudible*]

**Sen. Dr. C. Charles:** If some of us had the membership of your party, Sir, then we would do wonders. [*Laughter*] If you have it, at least, make good use of it; get some actual information on what is happening and tackle the people's problems. That is my plea today, that you address the people's problems, because they are there to be addressed; there are solutions to them.

My colleague has an old manifesto document that we can lend you if you want to see how to address some of those problems, but I can also mention some of them while I am on my feet.

Mr. President, every built nation in the world, if you look at its history, you realize it has invested heavily in physical infrastructure. It is the responsibility of the Government, the state sector, to invest in public infrastructure. It is not the responsibility of the State to invest in tall buildings. In developed nations of the world, which we are always talking about, the governments did not really do that; that was done by the private sector. So do not be too proud about that; instead, spend some time focusing on how to invest in public infrastructure, because that is something that builds your economy and it is something that will last long after we have gone through this aberration, this period in which we have all these billions that we do not even have to really work so hard for as a nation.

The Minister of Works and Transport is not here, but I am sure his colleagues are able to deal with these matters in his absence. Concerning the Drainage Division, I cannot stand here as an engineer and not talk about the Mamoral Dam. Why are we still talking about the Mamoral Dam? This was touted as a solution to some of the flooding problems in Central Trinidad for so many years. The Mamoral Dam needs to be constructed. I do not want to go into details today; I can always go into that at some time, so one can see all the benefits and advantages that go even beyond flood control.

At least, in terms of flood control, it is not good enough to say that some \$30 million was spent to clean more watercourses. What about the major projects that matter? Cleaning of the watercourses is something you have to do every year; you should not have to transfer funds to do that. You should know before the year starts which watercourses you are going to clean and how much money you need to clean them. It should not be off the cuff, "Well, let us see if we have some money now; let me clean some watercourses; maybe some guys are complaining down there." It cannot be like that.

They are the same watercourses, in the country, year after year; surely you know which ones you have to clean and when. Surely you have to clean them in the dry season and not the rainy season; so why are you transferring money? By the time this transfer takes place, do you know what time of year it would be? It will not be the dry season anymore. This money could not have been spent on cleaning watercourses in the dry season, because the dry season in Trinidad and Tobago does not take place after August. It is really late in the year; the money gets transferred later and not earlier in the year. Even with the change of the budget year from January to December, to October to September was meant to give the Government, especially agencies in the Ministry of Works and Transport that deal with physical matters, agriculture, et cetera, the opportunity to do so much in the dry season. It is being squandered.

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

The change has taken place and it makes no difference, because everything waits for the rains to come and then you have excuses of all kinds. In some cases the excuses are not even presented; in this case, just \$30; nothing about inner city flood or coastal erosion; nothing about that. Did you transfer some money to deal with that? Should you not have transferred some money to deal with that? Coastal erosion is a very serious and growing problem in this country.

The Prime Minister said somewhere that we might lose a piece of Trinidad and Tobago. I think I heard him say sometime that we should not be surprised if we lose a piece of Trinidad somewhere down in the Southwest, because of changes in global warming, climate changes, et cetera. Surely he is educating his Government Ministers on all these things.

Mr. President, there is some mention of water. I see mention of the transfer of \$57 million to the Water and Sewerage Authority (WASA) to provide water for the Housing Development Corporation (HDC) estates. The Water and Sewerage Authority is in a whole new category all by itself; it almost needs a government to deal with it. The Government has not even bothered to try to deal with WASA. I heard some talk about one of the supermen. My colleague on the other side might know a lot more about that. I understand that one of the supermen was delegated, sometime ago, to extend his reach beyond T&TEC and those other agencies, to WASA. I am not against that. I am not a critic in this place of that particular gentleman. I make comments elsewhere, but not here. At least, if that happens I would be happy that somebody who knows something is actually trying to make WASA operate in a modern era, in the modern age. I see no evidence of it and I hear no mention of it.

Transferring money to WASA to put down pipes in HDC developments, which will have water sometimes and no water at other times, dry pipelines, would make no difference. Mr. President, WASA ran a lot of dry pipelines last year, all over the place persons who needed to get pipelines, at least, to vote, would love to get water too. People have to accept what they are given, so they got pipelines. So there will be more pipelines built here with this \$57 million to HDC developments. The Water and Sewerage Authority is busy building pipelines everywhere.

Could somebody on the Government side tell us what is going on with respect to putting water in those pipelines? Do not tell me that you are going to build three or four more desal plants; the Government was very critical of the first desal plant, which, at least, did something for the industrial sector and also South Trinidad. You really do not need to build three or four desal plants when we have



flooding all over the place. Surely we can again bring some people who seem to know something about actual development. This is an area in which you can be excused in bringing in outside help. There are areas in which you can be excused for bringing in outside help.

We are concerned about you bringing in some Chinese labourers to do labouring work; surely we could have done better than that. We could have done something with our own people being brought into the picture, so they could feel proud that they actually built something important in Trinidad, even if it was the Prime Minister's fancy place. They could have felt that they built something important; but you gave it to outsiders to build.

The real area for attention that you should really bring outsiders to help with are these sticky areas, these more difficult areas, to deal with the transformation of things that we have not managed to succeed at in the past. We have underground water untapped. We have underground water which was once tapped and is now being capped. Tapping underground water helps you with your flooding problem. All these things are written; they have been researched, documented and commented upon so many times. I am just asking the Government to actually do something about it. If you have to get outsiders for some of these things, please do it. Get some help for WASA; they need it very much. Even if you have to get your superman to attend to it, do it quickly. *[Interruption]*

Mr. President, there is a particular area of infrastructure which I think is extremely important in this time. It has been just glossed over by a little comment on page 38. This little comment is very innocent looking. I want to get it, because it is so innocent.

"The Ministry was challenged in obtaining suitable contractors within the defined catchment areas of the various communities to effect the required refurbishment works of civic centres and complexes because of a scarcity of labour."

That is a simple thing, but very, very important. You are saying here that you could not find persons to refurbish the civic centres; you could not find workers to provide the basic community infrastructure to refurbish little centres that people have in their communities. This is very important. If you want to get a hold of this country again, the only way you are going to have a chance of doing it is at the community level, so you cannot treat these things so simply. If we have to bring the Chinese workers to build civic centres, all right; that is better than bringing

them to build some of the other things you have built. That is more important. You cannot simply take the money away, because the Ministry could build or refurbish some civic centres.

When a young man gets up in the morning and he has nowhere to go and nothing to do, what do you think will happen? You have to capture his energy. All of us who were young at one time or young still in whatever way, might remember what it is to be a young man, especially in your teens, or early 20s. When the morning comes it is like the devil is after you, because you have all this built up energy you need to burn.

I remember as a young man, when I was not going to school, that I could not wait for 2 o'clock to reach to go to the playground; you have to go and "bounce ball"; you have to go and "kick ball", because you have so much energy. When you have young people all over the country right now and you are not channelling their energy, what do you think is going to happen to them? Two things; one, you have a malaise which spreads. They do nothing and they feel that they are good for nothing. They feel that they are worthless. They spend their entire lives just hanging around the place in hopelessness.

The other thing is that they are easily captured by all these demons prowling now looking to recruit young men into all of the illicit activities that we know about, to demonize them, to make them into animals. You cannot treat it this way; you have to have a major programme in this country for building and improving community infrastructure and facilities; playgrounds everywhere. Spend the billions to provide them and to make sure that the youths actually go there. Pour the money on the youths. If you want to know where to spend the billions and you do not have any idea where to spend it, spend it on the young people. You will never regret that. Every built nation in the world has invested in its youth, because that is how you invest in your future. You cannot lose the money; it is never wasted, whether it is on education or it is facilities, scholarships and all kinds of things, spend the money on the young people.

There are also some comments about \$5 million for facilitators for URP. I do not think that today is the day for pounding the Government on security. They have been pounded so much. The Minister of National Security must have developed a hide like the Minister of Works and Transport, by now; he can take licks, because he has been getting it. I do not think that he ought to have said that he or his Government had failed in securing the nation. [*Interruption*]

**Mr. President:** On that note, we should break for tea and come back to deal with the Minister of National Security at that time.

Senators, we shall return at 5 o'clock. This sitting is now suspended.

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

**5.00 p.m.:** *Sitting resumed.*

**Sen. Dr. C. Charles:** Thank you very much, Mr. President. Mr. President, I want to make a few comments on local government before I return to this matter of security. I think I must have told the Minister at some time elsewhere that this is a year where the motions come from some of the most important ministries in Government and this year in particular is the year of Local Government Election and this is the year in which we should be focusing on what we cannot do at this level that needs to be done for the people of this country.

We have, I believe, 127 elected officials at local government and several other councillors in Tobago, aldermen in Trinidad who are elected by the actual body of the local government after the people vote and so forth, and all these people are there as wasted resources. They are there waiting for something to do, they are there to be partners in government. You have to motivate them and make them feel they have a role to play in addressing the problems in this country, and the first thing you can do to motivate people in local government is to give them some money—and I am not talking about money for their own remuneration, sure that may have to be reviewed, but I am talking about money for local government itself.

Again, we see no attempt here to provide resources for local government in all these allocations and reallocations; that seems to have been forgotten. Whatever was provided for local government was provided for the Ministry of Local Government and that is a totally different thing. The Ministry of Local Government is not local government. Local government takes place at the regional corporations and I know for years you have been trying, you have been working very hard to reform the system of local government. Do not work too hard, we have done a good job and the Municipal Corporations Act is a good one which you should try to work with some more, so you should not be in any great hurry to change something that was well done, if I may say so myself.

Mr. President, seriously, the local government system is there to assist you, and at every level, in every aspect of government, local government reflects what you have at the central level and there are people who are living in the communities and are anxious to prove themselves. Give them the resources; give them a start and the means to do something about it. If there is a problem in infrastructure, give them some more responsibilities to do something. Why can we not spend some of this money to hire a qualified engineer and an attorney for every regional corporation? They need these professional management resources.

It is a big thing in the world today; project management and human resource management and so forth and I know there is a brand new team on the other side many of whom are in the professional fields who I am sure are all familiar with all the new human resource management technology in the world. So they should appreciate that local government is still operating in the old backwaters, in the old days of lost history and they have to be brought into the modern world by providing them with these professional resources and some money to work with.

Just a word to the Government about that and that ties in to the business of community development and community government and I see mention is made of some money. By the way, CEPEP actually had their expansion postponed; something went wrong with that because every time we hear about CEPEP we hear it is going to get bigger, so it really comes as a surprise to hear that the expansion was postponed and \$64 million was transferred somewhere else. I will mention CEPEP in a while; let me comment on the fact that you had to spend \$5 million on facilitators for URP. I will love it very much if the Minister in the Ministry of Finance or some other Minister could explain who are facilitators for URP. Are we talking about community leaders here? Who are these people who are facilitating things? Community facilitators are referred to in the document so I would like a little clarity on that, please.

You cannot talk about URP and community facilitators without speaking of crime and security. As I was saying before the break, the hon. Minister of National Security should not have said that he had failed.

**Sen. Joseph:** I thank the hon. Member for giving way. Mr. President, the Minister of National Security did not say that he failed, the Government failed, Mr. President, just to correct the record.

**Sen. Dr. C. Charles:** Okay. I am not on your case this evening, Minister. The Government failed, the Minister did not fail. But the point I was really making was that, remember, we just went to the polls and we know that your Government failed in all kinds of ways, and I can speak of all the failures of your Government this evening, but I am not doing that, instead I am trying to make suggestions as to what you can do and where you can go.

The Government failed, we went to the polls, and the people re-elected the Government, as I said, because it is a flawed system. So there is no point in telling us that you failed in the last administration, the people put you back, or you ended up here after they voted and, therefore, that was the point I was making about referring to failure. I thought it was not relevant.

What was relevant was to tell us since you have been re-elected and re-appointed and you have put into place your new plan which you must have gone to the country with for election—you must have presented a plan and said if you elect me I will do all these things to solve security in the country, you must have worked out a new plan. I am sure the 100-day plan which the Minister of Health has, he had worked it out long before election, before he told the country if they vote for him he will put into place this 100-day plan which will solve many of the problems in health. I am sure he did not come up with it just yesterday, and I am sure he did not wait for his public servants to tell him what to do. So I am sure that the Minister of National Security would have had his plan. Am I wrong, did you go to the polls without one?

**Sen. Joseph:** We had a manifesto and a plan.

**Sen. Dr. C. Charles:** That is what I am saying, if you went to the polls with one, tell us you have failed for the last five years, we are not interested, we know your ministry and your Government failed the last five years, we do not have to be told that again. You had a plan. You went to the nation with a plan, you are back here; tell us this plan you went to the country with and this plan you are now implementing is going to succeed, and if after the first few months, or the first year it has failed, you can tell us then that the new plan you came with did not work and you want to get another one again. But do not come soon after election and tell us that your Government failed last time and you are looking for a plan.

This cannot work. You cannot be looking for a plan now, but if you are looking for one, I suggest that much of your effort be placed in trying to rebuild the communities. The communities have been severely damaged, try to rebuild them, spend some money on them at the local government level and at the community level. I suggest that you do not spend too much money on these community facilitators that you transferred \$5 million for. If they are the same community facilitators of URP whom we have heard of in the past, then you are spending money after the wrong thing, in the wrong place, on the wrong people.

Spend your money instead to reform the system that you have at the community level for community governance. These things are not easy to do, government is not an easy thing, it is a complex business and that brings me to the point of the over simplification of the Minister of Agriculture, Land and Marine Resources in talking about whether we should go for overheating or slowing down as though it is as simple as that; a choice between high inflation and development. It is not that. The challenge is to get development while managing

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

inflation, that is the challenge. The challenge is to manage your community by spending the money promoting the right things and the right people. Government is the most powerful agent at the community level in this country.

It is sad that not many people in private business spend their money developing communities. It is true and it is sad that sometimes it just comes down to government because people who have resources, institutions, companies and so forth do not see it as part of their duty to devote some of that to building the country. People in this country think that the world was built by governments. The modern world was not built by governments, much of it was built by private entrepreneurship and in our country unfortunately, we do not have much of that, so the buck stops with you in Government to build the community and when you go there, to spend the money promoting the right things.

If you spend the money promoting some of the community facilitators and community leaders as they were called and they happen to be the guys with the wrong methods of proceeding in the communities, and the young people look up to them—why would a young person not look up to a community leader if that is the person who controls the programme in the community? That is the person in whose hands you have put your resources. You have spent some millions giving those people to control it not only for paying them these moneys, but you have actually given them control of the hundreds of millions of dollars that you are currently spending doing things that people in the community need. So you empowered them and therefore made them the exemplars at the community level, and if they are the exemplars, and you have chosen the wrong exemplars, then we can see why this wave of criminality has come to our nation through our Government. I am not saying you deliberately did it, I am saying unwittingly, but you still did it. Do not continue to do it.

You at least have the advantage I would say, Mr. President. The Members opposite have the advantage, most of them being new and, therefore have been able to distance themselves and say the ones before me did not do the right thing, I would do the right thing now. You do not have to tell me that in the Parliament, but you can do that. You do not have to criticize your colleagues, but you can nonetheless do better than them and the ones who came before.

Mr. President, what should the Government do with the money and its time and so forth? I want to make a few suggestions. I will start by saying that you need a central developmental focus because remember most of the time will be spent funding the everyday affairs and so forth. I am sure many of the new

Ministers when you go into the ministry things have been done in a particular way for eons and they continue to be done in a particular way and all your public servants can do is just do them in that way and, therefore, it falls to you at the government level to do things differently.

For you to have a chance of surviving in that bureaucratic environment and doing anything different to what was done before, you have to have a central developmental focus as a government that the country might ask to buy in to and I am suggesting that that should be that you want to transform the country at a number of levels. Do not congratulate yourself so much, maybe you need to, it boosts the ego. There is a certain amount of money spent on advertising and so forth.

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

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

*Question put and agreed to.*

**Sen. Dr. C. Charles:** Thank you, Mr. President and Senators. Moneys spent on advertising, I suppose the Government feels it must promote its work and its Ministers in the eyes of the public. I do not want to criticize that in this forum, but if you think you must congratulate yourselves, at least do not fool yourself by your own attempts of congratulations in the public domain.

**Sen. Enill:** I thank the Senator for giving way. Mr. President, through you, before you went to the extension, you were talking about the central developmental focus and I was interested in your comment as to whether the Vision 2020 concept meets that requirement or if there are deficiencies.

**Sen. Dr. C. Charles:** Vision 2020 is good PR and I know the Government has professional PR available to it and I have no complaint with Vision 2020, but I do not see what that has to do with anything because the Government is not pursuing any particular programme towards 2020. It is not consistent with anything the Government does.

**5.15 p.m.**

Therefore it is fine to write down something on paper, and so on, but what are they doing. I mentioned simple things like traffic and infrastructure and so on, all these mundane things around the place. How could you be pursuing Vision 2020 when you do not attend to the things that are the most basic when you make a trip to any country that you want to emulate? You want to emulate some country

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

somewhere; I am not sure which one it is. But when you make a trip to any of these nations that we call developed, these mundane things have been long addressed because they are important. But a most fundamental thing that is addressed in the so-called developed world, and it was addressed long ago, is that the government understood its role was to develop the people and to spend its money on developing the people.

That is why we could bring Chinese workers to work here, because in China they have developed their people and economics taught them to come and build buildings in Trinidad and Tobago, and we, who used to be proud of our artisans, of our skilled workers and so on—we used to have that and be proud of it—we should be ashamed that we are not using these people to build in our own country and eventually to export them to build elsewhere. Because these are the people whom we should be building up and developing and giving the opportunity to build the most modern buildings in this country so that they can go elsewhere later on and say, “Well here is my resume”; or “My company has built all these things.” Do you think you are going to get all these things by going to China? You cannot send your workers to China to get the reputation so that you will get a contract in Antigua. You have to get the reputation right here in your country.

That is what is wrong with the Government. It is not focused on anything in particular. Therefore it is just going to go through the motions of fighting with the bureaucracy, and so on, and finding that they cannot buy this because it takes so long to get some police vehicles or whatever, which is really shameful. So I am suggesting that, first of all, you need to have a development focus that you actually believe in and which you will follow. That is number one. You have to acknowledge that people do not feel safe; you have to acknowledge that the police service is a mess; that the police officers do not feel that they are doing something important because their morale is at an all-time low. You have to acknowledge that and accept that and say: “What am I going to do about it, to build the morale in the police service?” A policeman must feel proud and important in his community.

You cannot secure a country if the policeman does not feel important and proud in his community, if he is not respected. If young men do not want to grow up to be policemen, you cannot build any country and secure any country like that. You have to therefore do something with the police force, first of all, that will make the policemen feel important; that will make them feel that their jobs are important. You could imagine how they feel right now because of the incompetence of the Government, that others have to take security in their own



hands and start securing their own communities and so on. The police force must feel even worse now than they felt even when there was the attempt through SAUTT and all these other agencies to build parallel police forces, and so on. It is the responsibility of the citizens to secure themselves however they can. The responsibility of Government is to make sure that the police force is the chosen instrument; that through the police force the average citizen feels safe. That is your responsibility.

Your responsibility is to bring down prices. I am happy to hear all this talk about 100-acre farms. I must advise the Minister that 100-acre farms are a drop in the bucket; just a tiny drop in the bucket, considering the size of the agricultural sector, considering the waste right now in this country of good agricultural lands and resources; considering the fact that the farmers do not get any attention whatsoever. If the Minister of Agriculture, Land and Marine Resources in this administration is able to defy the odds and is able to turn around decades of neglect by PNM administrations one after the other in the agricultural sector, then I say he will definitely get my praise; I wish him success, but that is what he is up against. He is up against almost a culture in government of that particular administration over decades of neglecting agriculture and treating it as though it is of no importance and makes no contribution to anything, and his 100-acre farms are not going to be the solution, even if he builds five, 10 or 20 of them, because the agricultural sector in this country is bigger than that. It has to be even much bigger than it is right now, and you have got to deal with the farmers, who are individualistic, we know, but who need your attention. They need to believe in themselves as well, to invest their money.

I do not want to go into agriculture because there are other Members who will speak at length on these things, but I want to tell you where to spend your money, or to spend the money that belongs to all of us. I want to say that when you acknowledge that unemployment is high in this country, do not come with this thing about the unemployment problem is solved. That is part of the problem we have; this pretence. It is good for your PR, but unemployment is very high in the country because your URP and CEPEP do not present jobs in this country for anybody. When you come out of secondary school, when you graduate from university as a young person, you cannot tell me the job that you have to go and take is an OJT six-month and an OJT one year job, and that is it.

We have to harness the resources of these young people who spend their time in the university and they graduate and are waiting for the job market, only to be told: "What we have for you is an OJT. When the six months are over, we have

*Finance (2007) Bill*  
[SEN. DR. CHARLES]

*Tuesday, January 22, 2008*

nothing more unless you get another one.” So how could unemployment have been addressed? You have not addressed unemployment. Acknowledge it and deal with it. Say: “What we have is a stop-gap measure, something to keep the peace, perhaps, for a while”, although right now it is creating more war than peace, but still, something that you will put in place to hold the thing down while you tackle unemployment as a problem. Therefore you would not have to go looking for people all over the world to come and work here. You will find ways and means to harness the resources you have here to do the jobs here.

It is the complete opposite way of thinking to what the Government is doing right now, and it comes from the Government fooling itself or trying to fool everyone else and thinking that the problems are all solved. Well the election has gone so you have some time. You do not have to actually try to convince the nation that everything is great; you can actually tackle the problems now.

So I am urging Members on the other side to do that. Spend especially money on economic transformation. Just as we know we have these perennial problems in traffic and all these things we have talked about for decades, we all know we need to transform the economy. I remember past PNM administrations talking about the non-oil sector. I remember it was important, at least for lip service and I am amazed that it has lost even the lip service importance now. There is no talk; there is no plan; there is no programme to say, well we are going to transform the economy over this period of time, from a total dependence on oil and gas to something else.

The Minister of Agriculture, Land and Marine Resources talks about his farms but he has no figures; he has no targets; how much food production we are going to have at what time, because that is part of the whole transformation plan. We want to build more smelters in the country. We know some people have a strange way of thinking. I would not say anything about that now, except that it obviously does not fall within any reasonable plan for transforming the economy. If you had a plan and you said this is what your plan was and we understood that this is something that the country could buy into, people would not have to be marching and fighting against you with respect to the smelters. You just would not do it, because it cannot fit within that plan.

You will know what to spend the country’s money on. Spend it on building young people who will do better than we are doing now. Spend it on educating them in every way possible. If we cannot get the business sector in this country to give out enough scholarships—because they are not giving out enough—then the Government has to do it once again. I am not one to apologize for the performance of

those who are not on the Government side; there are others who must perform as well, but I am saying to develop a country—you see thousands of scholarships being given out every year. You go to the United States of America as a young person and you can get a scholarship for almost anything you do, and not all are given out by government. So in our country others have to give out too. But I am speaking to the Government today and I am saying, those on the Government Benches, you are not giving out enough scholarships. Spend your money giving scholarships to the youth in large numbers. You will not lose that money. Spend it developing the youth in every way you can and you will not lose that money. Spend it in the school system; you will not lose that money. You will get more dividends than you can possibly get from anything else you are spending it on now. Even the fund, as we know, must be built up. As my colleague said, the fund right now is nothing. Twenty million dollars should be a good target. But that will not deter you in any way, I am thinking, because you have enough time for that, from spending money on young people, and that will pay you dividends even far richer than what any fund anywhere can pay you.

I am an optimistic man; I am a great optimist. That is why I am in politics so long.

**Sen. Dr. Saith:** Especially where you are. [*Laughter*]

**Sen. Dr. C. Charles:** “I look for that, eh.” I am a great optimist and therefore I believe that even the PNM Government can do better than they have been doing these past decades and we do not have to wait for elections all the time to put our hopes, as a people, in electing government after government. That is not enough; whoever is in office must take themselves seriously enough that they will make their contribution in their turn to the development of the nation, and I am pained by the fact that I am not seeing it taking place. I believe that here is a great opportunity, while you have your turn, to do your part and to take some of the suggestions into consideration and, perhaps, when we speak of the budget again several months from now, we would actually see that you have done some projects which benefit people; that you have a different feeling about your role and you think your role is to actually make people happier and more comfortable in the country, and that we can now assess, not only numbers transferred from here to there and allocated to there, and so on, but we can assess what you have actually done with the money by the reports you bring to this honourable Senate.

Thank you, Mr. President. [*Desk thumping*]

**Sen. Basharat Ali:** Mr. President, I join this debate on the Finance (Supplementary Appropriation) (2007) Bill, and I will be contributing mainly on the second item and that is the transfer of funds between the sub-heads under the same expenditure and I will come to that in a moment.

Under the actual supplementary appropriation, I have little to comment on and I liked the comment my colleague, Sen. Dana Seetahal SC made on the question of why Caribbean Airlines, and what can we see in the future down the road for Caribbean Airlines. I said, in fact, that I would be waiting with bated breath to see the effects of the steps taken to reconfigure our national airline. All I can say is that I have flown once on Caribbean Airlines—that was on a round trip last year—and I missed, in fact, the smiling faces of the BWIA cabin staff who always made the difference in the years when I was a frequent flyer. Home always started on my return flight, be it London, New York, Toronto, Miami. So those are all my comments there and we are really going to have to see what will happen with Caribbean Airlines. I have my reservations about the size of their fleet and their capability to run as an international airline, but that is a matter which will have to be addressed.

On the question of the transfer of funds, I have used my little experience in the Public Accounts Committee—I sat on the Public Accounts Committee for almost four years; I was a regular attendee; I have a good attendance record. Getting a quorum is very difficult and I learnt quite a lot, particularly about the accounting system and how it worked within the Government service. What I would like to say then, on looking at what we have here, that perhaps for the first time I am seeing transfers between the sub-heads under the recurrent expenditure, that is sub-heads 01 to 05, and a single sub-head under development programme, Head 09. I cannot say that I have seen it before and I question it because to me the recurrent budget is quite different in character from the development budget. The recurrent budget is “use it or lose it” in the particular year. The development budget is a capital budget, in fact, and it works differently. So I was a little concerned about that. I am not an accountant so I polled some of my accounting friends and financial managers and most of them have said that it may be acceptable in certain unforeseen circumstances. I heard the words “changed circumstances” on the other side but I do not know that I recognize any unchanged circumstances in what was presented to us.

### **5.30 p.m.**

It is not prudent financial management as claimed today by the hon. Minister and his colleague in the other place last Friday. I have very serious reservation about this process. It does not help budgeting because if you can do loose budgeting and expect to do transfers from one to the other without coming to

Parliament and only the actual Minister in charge of that Head, going to the Minister of Finance to get approval by delegation of responsibility from Cabinet, that does not augur well for the future.

I fortify what I am saying by reference to Head 22: Ministry of National Security. The transfer proposed under that Head is \$451.8 million from various recurrent expenditure sub-heads, which although they claim to be savings will not be savings, but presumably, much of it will be deferred expenditure in this fiscal year with which we are dealing. We talk about salaries, allowances, vehicle replacements and others. Those are not going to disappear.

I would like to concentrate on two items transferred to Development sub-head 09 amounting to \$450.4 million out of \$451.8 million. The first item of Security Management World Cup Cricket was budgeted before, for which a figure of \$23 million was proposed to be appropriated from the recurrent budget. That item is in the development budget. If we go back to any of the budgets we would see Project No. 035 budgeted in 2007 with estimates of \$1 million, revised to \$12.8 million with no provision for any additions in 2008. In asking for the transfer of \$23 million there is an over-expenditure of \$10.2 million on an approved budget.

Looking at the budget 2008 estimates, after Project No. 035, I spotted another one which is Project No. 037. The description of that project is logistics support for the Offshore Patrol Vessels Programme (OPV). There was a revised budget in 2007 for \$2.3 million and \$12 million in the estimates of 2008. I wonder what this project is. I do not think it has anything to do with what we are discussing here. I will like to know.

The Development Programme Project No. 002 under Project Group G, Equipment and Vehicles has not been seen previously and is still not seen in the 2008 estimates, under the Ministry of National Security. I ask: Is it that the acquisition of the three OPVs has never been budgeted for? I ask that in a very serious manner. I go back to a statement by the hon. Prime Minister and Minister of Finance in the House of Representatives on Friday, April 20, 2007, on the subject of "Procurement of Three Offshore Patrol Vessels and Associated Arrangements". It was a full detailed account. I am giving you a summary on the contract side of the physical elements. There is a head contract between three parties, the Government of Trinidad and Tobago; the Government of the United Kingdom and VT Shipbuilding International.

Under this head contract come three sub-contracts which were executed on April 05, 2007. The contracts are, one, a contract between the governments of the United Kingdom and Trinidad and Tobago for the Government of the United

Kingdom to provide professional advice on progress and performance of the OPV project and independent advice on design and construction of the three OPVs. The contract sum is TT \$50 million. There is a note that says that because this is between government and government, it is only on a cost recovery basis.

The second contract, a major one, is a ship-building contract between our Government and VT Shipbuilding International for the design and construction of the three OPVs at a contract sum of \$1.455 billion, with two other contracts for training and maintenance support at \$84 million and \$463 million, respectively.

The third contract is called an interim facility contract with VT Shipbuilding International for the supply of two interim vessels, which according to the statement will be appropriately modified to discharge the mandate of the Trinidad and Tobago Coast Guard. The sum is \$132 million.

In summarizing these contracts, the contract value for the OPV project is \$2.184 billion. The statement also talks about the financial arrangement which is critical to this project.

The first arrangement is that our Government executed an export credit facility amounting to \$1.864 billion which includes an export credit guarantee. Two banks were to provide the funds, 85 per cent of that contract value. The second was a commercial loan facility with the designated banks, BNP Paribas London and Lloyds TBS Offshore Limited. The amount is \$329 million which according to the statement, will provide 15 per cent of the contract value except the \$50 million contract to the government of the United Kingdom. I am unable to reconcile the contract sums and financing with the transfer of \$427.4 million. I will like an explanation from the hon. Minister.

From my understanding of these export credit arrangements, the sum of this whole project seems to be fully financed by the export credit facility and commercial loan facility. I stand to be corrected because I am working on the basis of what I see here. Why do we now require \$427.4 million, when we have full financing of the total amount being \$2.184 billion? Is it closing cost or export credit guarantee? I will like to know those things because I cannot see from where that number comes. That is why I raise it here today.

The other item which now comes to the surface relates to an item in the Budget Statement, 2008 under fast patrol craft. The statement said that “we have now initiated a second phase in the strategic expansion of our maritime resources and six medium-sized fast patrol craft had been identified to fill the gap between the OPVs and a variety of small craft”. A delivery date of first quarter 2009 was envisaged for these craft.

The third phase will be the procurement of six interceptors and four helicopters. The procurement of these naval assets was in process.

What budgetary steps have been taken with respect to the proposed procurement of these Phase 2 and Phase 3 pieces of equipment? I am not seeing it in the estimates for 2008 or in the Public Sector Investment Programme (PSIP) document. It is blank. I am raising it here because I do not know what provisions are being made. Under Head 22, I looked for coast guard vessels and I came to a certain item. I identified figures relating to the purchase of vessels for the coast guard as follows: 2005, actual expenditure, \$2.4 million; 2006, actual expenditure, \$4.5 million; 2007, revised estimate \$2 million from \$12 million and 2008 estimate, \$12 million. If I add those I would get \$20 million. I will like to get an explanation for these figures if they relate to Phase 2 and Phase 3 about which we are talking.

Mr. President, unlike you, I do not know the difference between interceptors, fast craft and a pirogue. I want to be assured that proper budgetary measures are in place for all phases of the procurement process. The procurement process starts with identification and tendering, down to the final sale of the vessel and equipment and signing of the requisite contracts.

I will speak for a short while on the Infrastructure Development Fund. As most of us who have been here are aware, this is quite a sizeable fund. This fund was reactivated in fiscal 2005 by the transfer of \$500 billion from the Consolidated Fund. There was no drawdown from the fund in that year. In 2006, the addition from the Consolidated Fund, \$5.75 billion was transferred to that idea and \$3.023 billion was expended by that idea. The balance as at September 30, 2006 was \$3.292 billion. This comes from the audited accounts for 2006. The revised expenditure estimate for 2007 was \$3.843 billion.

We had a supplementary appropriation of \$3.121 billion in June 2007. I would have liked to know the balance of this at September 30, 2007, especially in light of the 2008 budget allocation of \$4 billion. When I look at this, the Infrastructure Development Fund must be competing with the Heritage and Stabilization Fund which had an increase of, I believe, \$2.03 billion as mentioned today by the hon. Minister. That would take us to \$11.3 billion. I will not be surprised if as of now, the IDF has \$10 billion. Members on the other side are better able to say and I will like them to say that number to the Senate, including the \$4.0 billion allocated for fiscal 2008.

**5.45 p.m.**

Mr. President, these funds are in large measure made available to the special purpose vehicles through the ministries which they support. It is no secret, Mr. President—I am sure you know that—that I am not overenthused by the performance and capability of these state enterprises, and the question of them providing efficient project management services, in my view, should be on the front burner, particularly with respect to their procurement practices, notwithstanding that there is an oversight in the Ministry of Finance.

The public sector procurement regime is now long overdue. The Budget Statement 2006 says that the procurement regime summarized in that statement would come into effect by the fourth quarter of fiscal 2006. When Budget Statement 2007 was read, it was mentioned that the new procurement regime would come into effect early in the new fiscal year 2007. So far, we have not even had a draft Bill laid in Parliament and in this honourable Senate. We did not have a legislative agenda in fiscal 2007.

The new hon. Minister of Finance made some very strong statements on the subject of transparency, accountability, value for money and zero tolerance on corruption. I am on the same wavelength with the hon. Minister and look forward to early action from her in conjunction with the hon. Attorney General. Let us have a strong demonstration of woman power in government.

I am sure our new Minister of Energy and Energy Industries would be shocked if I did not address my old hobby horse, petroleum revenues and the transfer of more of the same to the Heritage and Stabilization Fund. The hon. Minister may remember that I strongly disagreed with the projected \$1.7 billion transfer in the June 2007 debate on the supplementary appropriation. I had calculated much higher numbers for the first half of fiscal 2007 based on current and projected oil and natural gas prices and net back.

At the 2008 budget debate in this Senate, I was partially satisfied that the 2007 transfer was expected to be some \$3.3 billion, \$2.0 billion in accordance with the Act and the surplus \$1.3 billion predicted at that time. That is close to where we would have been were it not for the supplementary appropriation, which is the subject of today's debate. We have not yet gotten into the HSF because we have had to take money and give it out there.

I have heard that in the debate in the other place the lower than expected revenue was due to delays in the coming into operation of bpTT Red Mango and Cashima Fields, which are both gas fields and the shutdown of certain Trinmar oil platforms for safety reasons. I am not convinced that these are the reasons.



In my budget contribution in September 2007, I had asked for the 2007 production data for oil and gas since crude oil production for the first seven months was running low primarily due to the difficulties at BHP Billiton Angostura Field. By prorating, I came to a low figure of some 126,000 barrels a day. This is the figure that Sen. Mark mentioned earlier. I would like to get the final figures of crude oil production and natural gas. I think that the shortfall will be on crude oil production.

At the end of the budget debate, the hon. Minister of Energy and Energy Industries did give me some figures for 2008, and those were given as 142,000 barrels a day of crude oil and natural gas at 4.1 billion barrels a day.

Hon. Minister, I depend a lot on the monthly bulletins on the Ministry's website to get my data. I hope we can have those in a more timely manner. The latest posted bulletin is April 2007. The data are very detailed and useful. However, the Ministry may consider a monthly summary version with the essential details of production and downstream activity and a detailed bulletin coming later. I would be happy to discuss this matter with the Minister of Energy and Energy Industries later. Many of us are starved of up-to-date data coming from that most important Ministry. I reserve further comments for another time. I do have many, but it is essential that it be used prudently today.

I thank you.

**Sen. Subhas Ramkhelawan:** Thank you, Mr. President. As I rise to make my first contribution in this honourable Senate, I do so with a sense of honour and even greater responsibility; honour that the nation has appointed me to operate in such a capacity and even greater responsibility because of the nature of the task ahead.

There are some areas that I would like particularly to address in this Bill. Firstly, I would like to turn my attention to the capital contribution to the Central Bank. The capital contribution to the Central Bank from the existing \$100 million by a further \$100 million and then by a further \$400 million is indeed a step in the right direction. But in the context of the vastly increased accountabilities of the Central Bank, I wonder whether the approach taken is adequate and sufficient to meet the requirements of this very important player in the financial system.

I say this because the hon. Minister in the Ministry of Finance made reference to the added responsibilities of the Central Bank, being that of oversight of the pension and insurance operators in this country. To put it into context, whereas if you take the Central Bank overseeing just the banking system, the value of

deposits in the banking system would have been somewhere in the vicinity of \$44 billion. I stand to be corrected by my more learned colleagues in the Senate. At the same time, the value of investments in the pension sector as at the last official figures at the end of 2005 was in the order of \$22 billion and a similar amount in the insurance sector, another \$22 billion. So, by the stroke of a pen, the oversight authority of the Central Bank would have moved from \$44 billion as a benchmark to \$88 billion, a virtual doubling.

I wonder if it is time for the Minister in the Ministry of Finance to consider bringing to this honourable Senate some adjustment to the legislation that governs the Central Bank so that it can retain some components of a surplus or profitability. That is not unlike other organizations, commercial and otherwise which would, in arriving at a certain level of profitability, retain some portion of those profits and make a payment of some portion via dividends to its shareholders.

In this case, it would mean some retention if an allowance could be made for retention, even if it were to a level of 40 or 50 per cent of the surplus of the Central Bank with the remainder being remitted to the Consolidated Fund. In so doing, it may not be necessary for us in this Senate to approve further injections of capital of the Central Bank. In so doing, it will mean that there would be a natural accumulation of capital within the Central Bank to undertake its functions that have been expanded. I make this suggestion for what it is worth. I hope that the Minister will come back to us on this matter.

Another area related to the Central Bank is one of pension reform. In this document, we saw some savings in terms of money set aside for pension reform. This is a very important area and the Central Bank has some oversight authority since it is in fact the sponsor of legislation that is due to come before the House of Representatives and the Senate in respect of reforms in the pension sector.

There are a couple of comments I would like to make in respect of reforms to the pension sector. First of all, since 1981 or 1982, the regulations which govern the investment of pension funds are contained in the second schedule of the Insurance Act. Those regulations have been amended and tailored over time, but I do not believe that they are adequate in the context of best international practice for what should be allowable by pension funds in terms of their investment portfolio.

It is in a sense too restrictive. It places the onus of responsibility more on the regulators as to the investment of pension funds rather than those persons who ought to be deemed fit and proper to make the investment on behalf of the fund.

Therefore, I believe it is timely that the Government bring to the honourable Senate an Act to bring the pension fund in line with international best practice. I expect that will come to this Senate very soon. I hope that the Minister will be able to say where it is on the legislative agenda.

Sometime ago, related to the role of the Central Bank in terms of its capital market development oversight, some adjustments were made to the second schedule of the Insurance Act as to the quantum of investment that can be made by pension and insurance funds in the local equity market. As you know, the situation in the local equity market has been a matter of some concern by the financial sector, not least of which would have been the former Minister in the Ministry of Finance and now the hon. Minister of Energy and Energy Industries. The situation is one in which the local equity market has been quite stagnant for some three years and there is need to adjust and correct the situation.

**6.00 p.m.**

However, the approach to correcting this particular area seems to be rather flawed, in the sense that we have made provisions, in recent legislation, to lift the limit of pension funds and insurance funds from 50 per cent of their overall respective portfolios, to 70 per cent under specific conditions. But, it was hoped that this lifting would allow these institutions to participate even further in the market; again, an attempt from a regulatory perspective to resolve a market issue. That has not happened.

I can say quite categorically as one who is familiar with the practitioners in the area of pension and insurance investment, that is not likely to happen. Because a judicious and prudent investor would be unlikely to increase his participation in one particular area, that is local equities, from the current limit of 50 per cent to 70 per cent. It will be a very dangerous and imbalanced portfolio that institution would have and it would be dangerous, in terms of the short term investment. It would be dangerous to the beneficiaries of pension funds who will be pensioners down the road. That has not happened and I suspect that will not happen.

Therefore, the Central Bank, in its role as a capital market developer, as well as the Government, will have to look for different ways and means to promote investment in this particular sector. May I suggest several areas in which the Government and the Minister in the Ministry of Finance can have a look at?

First of all, in the local market there is the question of how does one simulate the demand side of the equation. It is a question for the Minister and the Central Bank. How does one do it? I think on the demand side, there are clearly several recognizable sectors. One is the institutional area of pension and insurance and, as I said before, that mechanism has failed.

There are other areas in institutions which need to be, in a sense, stimulated. What about the individual sector? The individual sector—it is clear and well known that individuals do not participate and have not participated as well as they should have in the local equity market. As was done by previous administrations, it may be that now is the time to give some sort of fiscal stimulus to the individual sector to ensure that participation in the local equity market is expanded. How does one do that? It was done in the case of the Unit Trust Corporation, where individuals who participated in investment in the Unit Trust Corporation would have a tax allowance to the extent of \$10,000 or \$12,000 per year, as the case may be. It was done in the case of credit unions, where individuals were given an allowance to the tune of \$10,000 or \$12,000 per year, in terms of increased investment as the case may be. There is no reason why it cannot be done, in terms of the local equity market where, for a period of two to three years, where incremental investments in equities can be allowed up to the extent of \$10,000 to \$12,000 for individuals.

I am advised that the number of persons who may qualify for such an allowance would be in the order of approximately 79,000 individual taxpayers. If one were to take the equation forward, at the rate of \$10,000, it would mean that the potential further investment in the local equity market can be to the tune of \$790 million from this particular sector and it would work towards addressing partly, the demand side of the equation.

I think the Central Bank also may have a role to play in stimulating the demand side of the equation as far as bringing in other institutional investors that are under the ambit of the Central Bank. That would be those in the investment side of the banking sector. Why not consider? I ask the Minister to consider or take it to the attention of the Central Bank. There are moneys lying about that are earning for the banking sector zero per cent interest. It might be that it is a good approach to develop market makers or investors in that sector. A good way to do it is to suggest possibly that of the 11 per cent to 14 per cent of banking money that is set aside in Central Bank reserves, most of it earning zero per cent, maybe the Central Bank may want to consider that 1 per cent of the reserve can be allowed for these banks to invest in the equity market, not compelled.

As I have mentioned before, \$44 billion in deposits reside in the banking sector. If 1 per cent of that was allowed, that would amount to a figure of \$440 million, adding to the demand side of the equation. If we want to fix the local capital market, I am putting forward some suggestions for consideration.

A third area, which is another sector altogether, is the Heritage and Stabilization Fund. Now, it is not normal—I have taken a look at some of the other sovereign funds across the world—that a sovereign fund will take it upon itself, or the government of the day, that all of those funds must be invested abroad. It is not the case. The closest fund to us—not in terms of size, but in terms of an oil fund, if you want to call it that—would be the Norwegian Fund. Their population is approximately 4 million. They started their fund somewhere around mid-1985. Fifty per cent of that fund, I am advised, is invested in the local market. The other 50 per cent is invested outside in the international market. This is, of course, one of the more successful funds, given its size in the market. I will say to you relatedly, in terms of—the question was asked: What should be the quantum of saving in a Heritage and Stabilization Fund? Sen. Mark spoke about US \$20 billion. Let me put for the record that as at August 2007, this Norwegian Fund has assets of US \$317 billion.

Important in the consideration was what does that mean if you bring it into the context of Trinidad and Tobago? What does that mean, in terms of the value of the savings? I would try to put it in the context of a relation to GDP and also in the context of a relationship to the level of fiscal expenditure. In the context of GDP, that fund was 94 per cent to 95 per cent of the GDP of that particular country. Now, if you take it in our context, it was reported that our GDP was approximately \$114 billion at the end of the last fiscal year. The sum of 94 per cent to 95 per cent would be, if my Arithmetic is correct, somewhere in the vicinity of \$100 billion. Of course, mindful that our fund is somewhat younger but, it is setting some clear targets as to where we should be going. Looked at from the point of view of fiscal expenditure, whereas our fund is at \$10.9 billion, that fund represents just 25 per cent of our expenditure in any one year. In this case, this fund, the Norwegian Fund represented 238 per cent of expenditure. I think that in terms of the question of savings, we have a significant amount of work to do and I wish the Government well, in getting to that particular level very shortly.

Mr. President, I am very concerned about our capital markets, because our capital markets have fallen way below the level that would be expected when you rank us against other countries of similar size and similar GDP at similar levels of growth. I am very concerned and I hope that within this current administration we would find a champion or champions to develop the capital market because much has been said about our capital market. The Central Bank, as well as the Ministry of Finance, has a significant role in the area of development of the capital markets.

Sen. The Hon. Conrad Enill spoke many times about the need to develop an international financial centre. That has been mentioned in budgets and statements in this Senate. But, to get to the point of an international financial centre, I think that charity begins at home and you need to develop a strong local, financial centre. Therefore, we need to develop your local capital market institutions first. But, still, there is an intermediate level that must also be addressed and that is our role as a regional financial centre.

Clearly, Mr. President, as a regional financial centre, we can boast about issuing, in the Caribbean, probably in value and volume, the largest number of United States dollar denominated bonds. What we cannot boast of is that none of these United States dollar denominated bonds that we have funded, can be traded in Trinidad and Tobago. That is an area that we must seek to address. We must seek to address the building of the secondary bond market; not only locally, as the Central Bank has moved to do very recently to its credit, but also in terms of being able to trade those bonds which we have financed out of Trinidad and Tobago, in terms of United States dollars. We must seriously, if we are going to address this question of a local, regional and eventually an international financial centre, address the issue of a United States dollar denominated trading platform in Trinidad and Tobago as part of the journey towards an international financial centre. It is not something that can be done rather easily, but it will require the will, the commitment and the vision. It does not have to be as long as Vision 2020. It can be done reasonably quickly, in terms of our market.

I bring it to the attention of the hon. Minister in the Ministry of Finance, for his consideration, in terms of if we are committed to this notion of a financial centre. There are things that we must do and take into consideration very early in the game and the Central Bank has a part to play as far as that is concerned.

**6.15 p.m.**

I would like to turn my attention to the question relating to long term savings, investment and inflation. Now, by the last report, inflation was at a level of some 8 per cent, and that is high by any standard. It is high, because the benchmark that we must use in terms of inflation is: What is the long term government bond level at? Believe it or not, the last issue of a long term Government bond was at something in the order of 8 per cent.

Now, if that situation were to persist, what this means is that our pensioners, 10 and 15 years down the road, will have no real addition in value with an 8 per cent bond with inflation at 8 per cent. It means that the value is being eroded

fully. When pension time comes for you and other pensioners, what they would find is that the value of their pensions has been eroded. That is the reason we must find a way to put the genie of inflation back into its bottle. This is a very important consideration.

Sometimes we speak of this glibly, not understanding clearly what is the meaning of inflation, and what is the meaning of the long term. We understand the meaning for the short term. Food prices have gone up by 23 per cent, and it is hurting our pockets now, and it is going to hurt us even more. I will return to this matter.

Mr. President, one of the challenges that we have in terms of pension is that we have not yet moved to put in place a fully funded pension plan for public sector workers, and we continue to rely on recurrent revenue to make payment of such pension funds.

What is very clear is that we have a burgeoning public sector with higher and higher benefits as we go along, and this is something that could come to sting us very dangerously—not five years from now and not 25 years from now—but very shortly, if our revenues flatten. This is something I think the Minister in the Ministry of Finance must consider very carefully, and put in place plans, projects and mechanisms to ensure that we fully fund it.

Now, there is another benefit for having a funded pension scheme, and this means that we can develop another sovereign fund that we can use for investment partially outside Trinidad and Tobago and inside Trinidad and Tobago. It is a very powerful tool as governments around the world are finding in the current meltdown in the international financial markets.

So, Mr. President, these are areas that we have to address in the financial sector and they need to be addressed very critically and urgently, in the event that we have some downturn in our revenues or even a flattening, because our expenses are, indeed, growing.

Coming back to this notion of inflation and long term savings, we need to find ways, as I said, of addressing the inflation issue. We now have a situation where you are earning over the long term—if you take inflation and real returns—zero real returns. For a nation like us, I would imagine that a real return on a long term bond should be in the order of 3 to 4 per cent. Now, we cannot have long term bonds at the rate of 10 or 11 per cent in this particular market. So, if we cannot have that, the answer is that we need to rein in inflation.

*Finance (2007) Bill*  
[SEN. RAMKHELAWAN]

*Tuesday, January 22, 2008*

How are we going to rein in inflation where with the best efforts of the Central Bank, in terms of its monetary measures, the fiscal situation is at a level that will not allow for the control of inflation? Our economy is overheated. It is there to see by the nature and the level of inflation. I appeal to the Government to carefully consider reining such expenditure.

**Mr. President:** Senator, we need to have a Procedural Motion, and you would be allowed to continue after.

#### PROCEDURAL MOTION

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. President, in accordance with Standing Order 9(8), I beg to move that the Senate continue to sit until the completion of the debate on this Bill.

*Question put and agreed to.*

#### FINANCE (SUPPLEMENTARY APPROPRIATION) (2007) BILL

**Sen. S. Ramkhelawan:** Thank you, Mr. President. So, it is critical that we rein in expenditure. If we rein in expenditure, it means that we would be able to put aside savings at a faster rate in the Heritage and Stabilization Fund. It means that we would also be able to set aside funds for what is a necessary long term pension fund for our public sector workers coming from outside of the recurrent revenues and expenditure levels of the country.

Important to the whole question of revenue flows would be the issue of diversification. Much has been said in this honourable Senate about diversification. Indeed, the former Minister in the Ministry of Finance spoke of the magnificent seven areas which would be pursued in the diversification of the economy. When one looks at those areas—whether it is yachting, merchant marine, printing and packaging or fishing—it is clear that it will take quite a long time for these industries to get to a level where they can contribute significantly to our economy. As part of the measures that we need to put in place, while we wait for the grass to grow, we need to make some short term decisions to ensure that we would be able to meet all our expenses as we go along.

There is an area that I would like to suggest to the hon. Minister in the Ministry of Finance, and he may wish to take it to his colleague, the Minister of Trade and Industry, and that is we need to look at an area that has been a blind side for us for quite some time, and that area is what I would like to refer to as the middle manufacturing sector, utilizing energy as an important raw material.



What do I mean by this? When I say “middle sector”, I think the days are long gone when we say middle sector means TT \$5 million or TT \$10 million. I am talking about that sector for which we are blindsided. Very often we look at projects from US \$300 million and up to US \$1 billion, and we miss the opportunities that are inherent in those projects that might be somewhere in the vicinity of US \$20 million to US \$100 million. That is what I mean by “middle sector” manufacturing.

When I say “middle sector manufacturing” I do not mean middle sector downstream. I am talking about using energy as a raw material input to diversify the economy. I think, if the Minister is so minded, I will have a conversation with him on a one-to-one basis sometime later.

It is important that we get the sector going, because those magnificent seven will take a long time, and there is a shorter route, and the shorter route is manufacturing using energy to diversify the economy. I can say to you probably projects such as a steel billet plant which might cost \$20 million or \$25 million using what we already have in the country, and that is DRI and energy to make these steel billets. This is just an example. I think it is important that we look along those areas to achieve, in part, the kind of diversification that we would like to talk about.

Mr. President, I would like to take a few minutes to talk about another area which is the area of budgeting and the effectiveness in budgeting. In previous budget speeches, reference had been made to Vision 2020. Two pillars of Vision 2020, one of which is the caring for people and the other is more effective government. Those are two of the five pillars. The question of effective government would also address the question of effectiveness in budgeting.

For many years, I have covered budgets in various capacities in this Parliament. What we have done over the years is that we have talked mainly about how much we have spent in particular areas, whether it is housing, health or education. It is time that we move to measurement in terms of effectiveness.

If we wish to be a First World country or a country with developed status, it is not only that our GDP must move from US \$14,000 per capita to US \$30,000, but it is that we must have so many beds per capita in the health sector. It is that we must have so many places for tertiary education in the education sector. It is that the level of homicides per capita must fall from its current level to 30 per cent of what it is presently. So, I am talking about measures of effectiveness that complement not only the amounts spent, but the results gained. This is something

I certainly feel that the Government has to spend some time considering, so that when we report, we can report that we have made progress in these areas, and not necessarily that we have spent more money in these areas.

So, Mr. President, I think I have covered some of the areas that I would have liked to put on the table with regard to budgeting and with regard to the whole question of capital adequacy in the Central Bank. I believe I should take my seat now and leave if for someone else.

Mr. President, I thank you.

**Mr. President:** Hon. Senators, allow me to congratulate Sen. Ramkhelawan on his maiden speech, and it was very well done. We should take note that he did not read it. In fact, he barely referred to his notes and that really is the true spirit of debates. Well done, Senator.

I should also say to Senators that on the last occasion, I overlooked the fact that Sen. Dr. Adesh Nanan had made his maiden contribution to this Senate, even though I had assumed incorrectly that formerly as a Minister he had spoken in the Senate, but I was so advised that did not occur and, therefore, we need to congratulate him on his contribution on that occasion. [*Desk thumping*] This is also the case with Sen. Dr. Carson Charles. This apparently is his first contribution in this Chamber. This is the advice given by your leader, but you are welcomed and we congratulate you anyway. [*Desk thumping*] Do we have any other speakers?

**6.30 p.m.**

**Sen. Cindy Devika Sharma:** Thank you, Mr. President, I would like to say that I recognize that this Government has been given a wonderful opportunity to take advantage of a very good economic windfall considering the vast sums of money to my own eyes that we have been receiving for the last couple of years. While I say this, I also recognize that, as with any good system in place, while we receive money and we want to make the best use of that money, I have also been brought up in a system, a cultural background where we are taught that saving is an integral element in, not only, managing what we have but also in preparing for the future. When I speak of the future, I mean what is going to happen 10, 20, 40 and 50 years from now when I hope to still be around. I want to know that in those decades to come that something substantial would have been put into place to make the life of, not only me but the average ordinary citizen much easier, considering the many hardships that quite a large percentage of our population face today. Poverty is still too widespread and it is affecting a very important sector of our population—our young people.

I wish to focus a bit on that aspect. I am no expert on financial matters, but I am saying that I see there is quite a lot of money available and Government is attempting to spend it. I am just advising them that it must be spent wisely and it must not be viewed as money, time or effort wasted. So I suspect that some serious planning needs to be engaged again, not only considering what is outlined in the Vision 2020.

I would like to suggest, particularly to the Minister of Sport and Youth Affairs that in attempting to address the needs of our youth there must be additional support provided, apart from the current services available and governmental plus non-governmental agencies that already exist to create opportunities for development in youth and youth affairs. And not only aimed at solving or resolving the problems that the youth are experiencing—our young people—but also in actually creating career opportunities in this field, in terms of creating a professional body of youth workers, who from, perhaps, even the adolescent stage, when they start working alongside these organizations or within these organizations, they are able to move upward in the system as a means of development as well and an alternative career path to those offered currently.

I am suggesting, perhaps, that the Ministries of Education, Tertiary and otherwise also look into future educational programmes that address these needs at a much broader scale than is currently in place. This is also a part, I should say, of what I would suggest that would be a strategic plan for youth development, that not only aligns all the major stakeholders, including parents, business persons, politicians, Government persons, local school boards, community centres, for example and local district offices in terms of education and really sit down and think about the needs of the young persons in each specific district. Not merely in terms from a national standpoint, but I suspect that the needs of specific communities and districts are far different from each other.

While it was all well and good to say that we have a national plan; a national plan must also consider the needs or the specific needs of those persons within different communities and environments. Because I would like to suggest that the needs of the Manzanilla community or the Toco community are far different, in many ways, to the needs of a community in Caroni, perhaps, or in Port of Spain. In order to address these issues as my colleague, Sen. Dr. Carson Charles had earlier referred to, there must be some system in place to prioritize the updating of the infrastructure of community centres, for example, broaden the activities offered there currently, and perhaps, make it easier for more persons to feel that it is an attractive place to go—young persons. Because right now we are competing with

many other more flashy attractions or fashionable attractions, perhaps, such as liming in different places that young people might go to and we need to make these community centres or community places a place that someone wants to choose as a place for recreational, and perhaps educational enhancement in some way.

In order to do so, Government must have some system in place or training plan, perhaps, where they are able to expand the range of activities offered at these community centres, but also identify the most effective method of delivering these activities, perhaps, or programmes to young persons or any target audience that they might have. In addition to which, the needs of a society must also be looked at, in terms of a long-term perspective, in the sense that our young people today have a lifestyle which is, unfortunately, not the healthiest one at times, considering the long lines for KFC that you may have noticed, if you are driving around at any point in time in any place in Trinidad and Tobago.

We need to have a programme that addresses nutritional needs, fitness needs, because we want to have a healthy, and also, a fit nation. I think that is an important aspect of any plan that we want to put into place. Further to that, I would like to suggest that mentoring systems be put in place because, as a teacher, I have seen the case, unfortunately, many times where a lot of the young people are left unsupervised for quite a bit of the day due to the fact that parents are working, single parent homes, worst yet, some of them have no adult figures at the time; parents might be out of the country, perhaps. We need to have something in place where a family which is left unattended by an adult figure, there must be some way to really ensure that some form of monitoring takes place. I understand our social services are already overwhelmed. But, if we want to really address some of these issues we need to, perhaps ban or tighten our belts in other areas and not spend it, perhaps on entertainment or building things that might not be something required for the immediate welfare of our average citizen, and really think about how we can address the needs of those who are less fortunate or unable to really provide for themselves or take care of themselves.

Also, I would like to suggest that anytime any plan or policy is put in place that involves budgeting or financial allocations, particularly, in the Ministry of Sport and Youth Affairs, that more research be encouraged to take place on really finding out what is happening with our young people, and what are the factors affecting them. What are the strategies that will work to really enhance their productivity, their well-being and also, perhaps attitudes of the public. What is the general attitude out there, realistically? We want more research on that and

also to test some of the conventional wisdoms and approaches in dealing with young persons. What research is really being done at a governmental level or could the Government provide additional support to agencies that could do valuable research so that when we do put plans into place, that it is just not something out of the air. That we are not speaking off the top of our heads, but rather, we have cold hard facts from any type of research. I would like to say that qualitative research in this area might be very valuable in that we get a very insightful picture into how people are really living on a day-to-day basis.

I also want to bring up the point while I am on the issue of young persons, that we have to develop what we already have here, but we also wish to recognize that there are those who have had great opportunities to further their studies abroad. This is an extremely valuable resource material that we need to capitalize on, because we cannot have our young people—the best minds, at that age—leaving on scholarships to never return. So, what is the Government doing or putting in place, not to really cause a brain drain, but really to cause a brain pull, in the sense that we now become attractive to those persons who have enhanced themselves, in particular, educational pursuit that might be extremely valuable to the future development of our nation.

I want to suggest that attention needs to be put into this area. Unfortunately, one of the reasons Trinidad and Tobago might not be so attractive to someone who has done this is because, if they have gone away to enhance themselves, perhaps, when they return here they want to know that they are returning to a safe environment; one that has no levels of crime; one where you could pick up the newspaper and not feel like crying because you see someone crying, some mother crying for her son who has been killed, unfortunately. You want to know that you could look out your windows, open your doors at 10 o'clock in the night, and I do not think that anybody here, at any point in time, right now, can feel that they can safely do so, unless, they have armed security nearby.

**Hon. Senator:** Dogs.

**Sen. C. D. Sharma:** Dogs do not even work right now. This negative aspect of output migration, which might be temporary, but most of the times it tends to be more permanent in the sense that students who leave, find themselves in environments which are extremely attractive and conducive to their living and developing a productive life. Perhaps, we need now to ensure that Trinidad and Tobago becomes such a place so that they can return here and contribute to the national well-being in a very real sense.

*Finance (2007) Bill*  
[SEN. SHARMA]

*Tuesday, January 22, 2008*

Since I am also on the point of young persons, I want to move away from that last point on migration, Mr. President, and deal with some of the factors that have been affecting our young people, which the Government needs to address and which I have covered in many ways; one of which is the family. What support systems are you putting in place to deal with parenting issues? Because, unfortunately, while we recognize that parenting is one of the most crucial factors in the development of any young person and future adult, it is the case now, unfortunately, that for whatever reason, we have quite a lot of parents out there who—I would not say that they do not know what to do—are not doing an adequate job, and they need further support in developing their skills along the way. Perhaps, some allocation towards parental skills development could take place further than it has already been done. While I know Government has been pouring quite a bit of funds into schools, I would like to suggest that perhaps it is not more money that is required, but more planning and more well-thought-out programmes.

Having more money is all well and good, but if you are given money and you have personnel who have no idea how to really utilize that resource, it will be money that comes into the system and leaves, and after a while you will be asking, “well, where did that \$20 million go? I cannot see any evidence of it.” Perhaps the best evidence of money well spent for our young people, and particularly—the schools might be seeing our young people off the streets, our young people not engaging in gang warfare or being on the streets at any hour of the night, engaged in, what we might call “wasteful activities”. This is something that needs to be address.

Finally, at the end of the day the young persons, particularly who belong to the dispossessed sector—those who are poor—they need to be given more support, and this support should not really be in the form of handouts. Because I do not believe, even if you are poor, that giving you money or additional resources will suddenly turn you into a better person. That is piece of the picture; it is not the full picture. So that money allocated needs to be made available in a way that they are able to pull themselves out of the situation they are in and not wait to be part of a CEPEP gang or a URP gang at some further point. Because at some point in time money is going to run out; perhaps jobs would not be available anymore and they need to have something stable for the future.

Thank you. I feel I have come to the end of my contribution. [*Desk thumping*]

**6.45 p.m.**

**Sen. Laurel Lezama:** Mr. President, thank you for affording me the opportunity to address this esteemed Senate. The Members here have been appointed to treat with the country's business, that is our business here. So when our agenda dictates that we debate a matter that inevitably affects the young people of Trinidad and Tobago, it is no doubt that we on this side seriously consider and understand the impact said issue has on the younger ones in the society. Today is no exception.

I have sat in this distinguished Chamber and I keenly listened to contributions made from all sides and I have come to the realization that had this Government not been visionary and proactive, and the nation had been subjected to the likes of others, the young people of Trinidad and Tobago would be forced to be the sacrificial lambs, trapped in a parallel universe where only lip service is paid and no real investment is made in our lives, in the future of our beloved twin-island republic, the nation therefore paying the ultimate price.

The Government has come here today asking for the authority to supplement the appropriation provided for by the Appropriation Act of 2007. As we continue to make leaps and bounds in achieving the ideals set about in Vision 2020, as we on this side consider to be absolutely determined to reach our goal, let me tell you why it is imperative that such is done.

Developing innovative people is the first of the five pillars of Vision 2020 and it is our desire to bring sustained prosperity and the requisite higher quality of life to every single individual, fully cognizant of the fact that within the confines of this global village, the more flourishing countries have harnessed and nurtured the creativity and ingenuity of their peoples. So if the Government, in managing its finances and caring for the people, invests greatly in ensuring the children of every family and even the older ones who so desire, have the same access to a relevant, quality, sound education and training system rooted in modern technology and it is accused of mismanagement and wild spending, then it begs the question, what then would dictate prudent management of the Trinidad and Tobago economy?

Mr. President, had it not been for this Government's prudent management of the economy and its investment in my fellow youths, there would have been in excess of 35,000 brilliant young minds left to rot, and heaven only knows who they would end up like, because a previous intellectually bankrupt administration, not formed by Members on this side, chose to blatantly disregard the needs of the young and the vulnerable in this society. The youth camps were closed; the

*Finance (2007) Bill*  
[SEN. LEZAMA]

*Tuesday, January 22, 2008*

Civilian Conservation Corps was shut done; thousands of non-academically inclined young people were left to fend for themselves in a society that mimicked its leaders at the time. And the end result, Mr. President? I would be naive if I were unmindful of the fact that there are young people who are involved in bad activities. But the fact remains that we are now faced with those young people who had been socially neglected during the tenure of others in the late 1990s, either doing time for crime or living lives none of us would ever dream for our own. We are in the process now of treating with an internal abscess of taming the devils of government past.

We are using our revenues as the axis on which the circle of our life spins. By investing in developmental programmes for our young people, by providing nursery to tertiary education, we create avenues for a skilled and competent labour force. That leads to across the board poverty alleviation, employment and a reduction in the need for unsavoury moral and ethnical behaviour patterns from our citizens, meaning it can be taken as a tool for fighting crime. The IMF has said that economic activity here remains robust and this presents Trinidad and Tobago with the window of opportunity to set the country on a path to achieve higher living standards for current and future generations.

It is the intervention of the PNM administration that caused the unprecedented increase in tertiary level education enrolment from 25,000 to 60,000. [*Desk thumping*] It is our plan to further increase this enrolment to 60 per cent of the age bracket, 17 to 25 years old by the year 2015. This increase in enrolment has been spurred by this administration's policy of free, let me repeat, free tertiary education programmes [*Desk thumping*] through GATE (Government Assistance Tuition Expenses) and HELP (Higher Education Loan Plan) through which over \$34 million has already been approved thus far. So, whereas a parent would have had to be burdened by the potentially overwhelming cost of a university education for a child, this Government has intervened and now the overriding factor for administration for tertiary education is the child's academic capabilities—hassle free. A high quality tertiary education is no longer a privilege of the rich or the influential.

The crowning achievement of this Government at tertiary level was the establishment of the University of Trinidad and Tobago. Because the Government wisely invested in UTT with the mandate to address the country's need for scientists, technicians and researchers, in the very foreseeable future, we would reap the rewards, developing innovative people and we are well on our way to the attainment of Vision 2020. Because our tertiary education is industry relevant,



both students and graduates will have access to workplace engagements. Remember too, COSTAATT and the University of the Southern Caribbean, if you want to talk about brain pull, as opposed to brain drain.

So as it stands, we are well on our way to revolutionizing the education system, a seamless education system that will underpin the country's thrust to sustainable economic development; an education system designed to embroider and enhance the social tapestry, a system intended to give our citizens the tools for success in today's world, as evidenced by some of our colleagues here and there who are benefiting tremendously from the Government's free tertiary education as I speak.

Mr. President, I cannot over-emphasize that it is about people and improving their standards of living. On this side, we tend to give great weight to the impact of spending on people's lives and because we recognize that not every citizen is academically disposed, we have sought to introduce and reintroduce a plethora of social and technical programmes, more so, for those for whom possession of a skill or a trade would cause them to flourish and alleviate poverty.

We recognize that there is a catchment of young people who did not benefit earlier on in their lives from the limited programmes available in the late 1990s. And there are those who were forced to attend secondary school without having basic skills of reading and writing. We have therefore embarked upon a mission of retooling and retraining the youths in particular to satisfy the needs of Trinidad and Tobago. Permit me, therefore, to briefly outline some of these programmes through which we have invested in our citizens.

The Multi Sector Skills Training Programme (MuST) is a specialized craft training programme that seeks to develop a cadre of competent workers within priority sectors of the national economy. It targets nationals who are economically disadvantaged, unemployed or disabled. More than 6,500 people have been trained in the agriculture, construction, hospitality and tourism industries to date and many more are seeking training, thereby encouraging and preparing a skilled people.

Mr. President, the On-the-Job Training Programme is a pre-employment training programme that offers participants an induction into the world of work. Trainees are remunerated with a stipend of up to \$5,000 based upon their levels of qualifications. Over 37,000 participants have been provided with work experience. It means therefore, that persons seeking employment will not be rejected on the basis of a lack of experience, leading to lower levels of unemployment,

*Finance (2007) Bill*  
[SEN. LEZAMA]

*Tuesday, January 22, 2008*

less poverty and a competent workforce. Investment in people is our business. As a matter of fact, I personally know many young people who have been introduced to the world of work via the On-the-Job Training Programme, and are now permanently employed by the same companies with whom they did their training.

Mr. President, all the hype about the Helping You Prepare for Employment (HYPE) programme is certainly warranted. The philosophy of HYPE lends itself to the notion that when an individual is made to believe in himself, and is provided with opportunities to establish himself or herself, he or she will more often than not rise to the occasion. Approximately 5,000 skilled and marketable people have graduated from this. It does not stop there, you know. There is NEDCO waiting for these newly skilled people to either, as an individual or as a company, to empower themselves to achieve financial independence through sustainable employment derived from the provision of financial and technical support.

The Civilian Conservation Corps has been reintroduced and young people who are at risk are assisted in fostering socially desirable behaviours, developing their potential and harnessing their skills and most importantly in fostering a sense of national pride. They are provided not only with life skills, but they are also paid a stipend for their attendance. This is how the Government spends its money, by investing in our people.

Let me not forget the reformation of YTEPP. I know of persons who are now very financially independent as a result of graduating from the YTEPP programme. My colleague, the hon. Minister of Agriculture, Land and Marine Resources has dealt with YAPA in-depth, so there is no need for me to go there.

The object of our expenditure is to improve the quality of life of citizens of Trinidad and Tobago bar none, all inclusive. The poor and the marginalized are not a homogenous entity and it requires that a sustainable effort be made to ensure that we treat with the issues that affect them and the society as a whole.

Mr. President, I have heard Members from the other side make accusations that moneys are not being invested wisely. It is apparent that those detractors who want us to dispose of these programmes because in their eyes, helping the disadvantaged and downtrodden creates a dependency syndrome. Because of the Government's prudent management of the economy and its investments in us, the social, educational and financial needs of young people and/or single parents of those with academic minds and equally of those with skilled fingers are being met.

**7.00 p.m.**

The possibility exists that the major contributory factor for the denigration of family and, by extension, the society, is the disadvantaged economic situation of low income and single parent families, especially households headed by single females. These now will have a better chance at survival.

Despite all these programmes and governmental interventions, it is either squandermania or it is not enough for some people. These people are professional agitators. Is it too much for us to invest in our greatest available resource, our people, and, more specifically, our young people; to invest in a vision with results on its agenda?

The late Dr. Eric Williams once said that our colonial history is replete with contempt for education, and it seems that these agitators have a personal mandate to ensure that Massa day is not done and to create a classist society. [*Laughter*] [*Desk thumping*] Make no mistake, this Government recognizes these agitators for exactly what they are worth, and notwithstanding that, we will continue to invest and make strides in our vision of developing innovative people. Perhaps, Government's investment in the people is the best kept secret of the day.

It is true that the media has a role to play in this developing country and is required to transmit to the people what is going on. In working in tandem with the Government to lift our nation beyond the silver lining, the negatives must not always be given precedence, not when we have invested so wisely in beneficial programmes and have been blessed with hundreds of resulting success stories. We are interdependent and we must coexist in this life.

I am aware that more needs to be done as we work towards our goal of creating a just, equitable and more caring society. I am also convinced that there is no target beyond the reach of the people of Trinidad and Tobago.

I conclude my input in this honourable Chamber to today's debate by reiterating the honour it is for me as a young woman to be sitting here amongst such distinguished minds contributing to these nation building proceedings. This Government remains committed to the development of its young people, be it either by providing free tertiary education, by implementing several social interventions, by developing and trusting young people wholeheartedly to hold influential and leadership positions in our country, by investing in our sports people. With the support of the Members of this House, from all sides of the Chamber, by the adoption of this Motion, and I speak on behalf of all the young people of Trinidad and Tobago, we will benefit tremendously, and we are worth it.

Thank you.

**Mr. President:** Hon. Senators, we must congratulate the Senator on her maiden contribution.

**Sen. Mohammed Faisal Rahman:** Mr. Speaker—I beg your pardon, Mr. President—when I look at the Parliament Channel, I hear "Mr. Speaker" so often, it saturates my mind; I am sorry.

Mr. President, this is unusual, but I add my own words of admiration for the last speaker. I believe it is Sen. Lezama; I cannot see too well without my glasses. These are reading glasses today.

She has done a very good job in defence of her Government. I really feel she deserves sincere congratulations. Nevertheless, what she has said does not really cover the entire picture. She has very skilfully and wisely chosen areas of reasonable success, which her Government has built upon from the precedence of others to develop. Certainly, in the context of the largesse which this country enjoys, there must have been some areas in which they would have done certain things correctly.

The government that preceded this current one had done its share to set the stage for a continuation of its policies. I believe GATE was one of the things the UNC had instituted. [*Crosstalk*] It had done a tremendous amount of work in the education field. What seems to have escaped the Members on the other side is the degree of failure in the areas in which their Government has failed to perform.

I have come to the conclusion that prudence and success are very relative; like beauty, they are in the eyes of the beholder. I must say that we are seeing a transformation of language where failure is now defined by a different euphemism. We cannot find the honesty on the other side to say, "We have failed in critical areas". I would say it: The Government has failed in critical areas. It was very good to hear the last speaker talk of the human resource as being most important in a nation. I was wondering whether they were aware of that.

I am very saddened to have to return to this, but we are having a blood bath in this country, and in all religions blood is so sacred. Intellectual development in a lion's den is not going to get you great national success. On the one hand we are continuing the education and trying to repair the damage, because so many young people have arrived at the secondary level, are about to take exams and are not even properly literate. I believe Mr. Martin Daly in one of his columns had made this point, that the Government is ceding authority and ground to the criminal element to a dangerous degree. We are now educating a cadre of people at the University of Trinidad and Tobago (UTT) and elsewhere, very well, but these

people are going to be the prey of the criminal element of this society, if that aspect of monstrous development is not contained. It is extremely important that the Government admits, as my colleague, Sen. Dr. Charles tried to make the point, that you cannot live in denial; you cannot fool yourself.

Unless you come to terms with the areas in which you have fallen down, you will not attend to those areas and you will not pay regard to the failings where you must correct yourself. It is extremely important that we understand that it is better to have a society of moderately educated people living in peace, harmony, love and fellowship, than to have a polarized society with extremes of rich and poor and qualified and ignorant. We have been setting a stage for constant conflagration and the very implosion of our society, which has been taking place increasingly over the last six years during the reign of the current administration. We must come to terms with that. If we fail to see that, we are going to perpetuate the travesties within our society.

What I have just said relates to the issues that I will like to discuss. I would have taken those in their normal sequence, except that I was so struck by the speech of the last speaker. Let me return to where I should have begun, the Bill which we are here to perforce permit, despite the very important legal observations made by Sen. Seetahal SC, because it is a great pity that successively, for successive years and successive governments even, we have had this illegality and irregularity of breaching the law at the very highest level of the land, and coming afterwards to close or to validate what has been accepted.  
[*Interruption*]

**Sen. Dr. Saith:** In her view.

**Sen. M. F. Rahman:** Maybe she is wrong, but she has convinced me, so I can only say from the aspect from which I understand. You would see it differently, of course.

I very much fear that the casual manner in which we appear to validate what has taken place, is disturbing. Even though there is a basis for advancing out of funds to pay for certain things, however, personally I find that the changing of allocations between sub-heads of the same Head, if it is not improper, it is a very clear indication of poor guesstimating, not estimating, on the part of the ministries and their different departments that put in their requests from time to time. There are certain very disturbing aspects as well.

Sen. Ali made mention of a matter which concerned me, the OPVs that we have been very fortunate to find money for within the same ministry. Was this not a matter that surely should have been planned? Is it that we suddenly decided,

*Finance (2007) Bill*  
[SEN. RAHMAN]

*Tuesday, January 22, 2008*

"We should get three OPVs and there is some convenient money lying here, so let us put it across here." I seem to remember Minister Imbert being on television some time ago saying—and this is what confuses me—that the Ministry did not envisage the hurdles which it would have to meet and that the first metal was soon to be cut for the OPVs. I remember those words almost verbatim, very clearly. I am wondering, if the metal had not been cut as yet at the time of this re-allocation, where is this money? Has it been prepaid? I think it was \$500 and something million, which is a tremendous amount of money.

When you send your butler, maid, servant or whoever, to go to the market or shop to buy things for you, and you give him a certain amount of money, you are entrusting that sum, \$100, \$200, \$300 or \$1,000 amount of money to his care. He does not have the authority when he gets to the marketplace or shopping area to decide what he wants to buy; he has to buy what you have told him to buy. Then he comes and says, "Well, you know, Sir, I did not buy what you told me to, but I thought you needed this so I bought that instead, and we probably would do this other thing later on." I think you would have a fit. I do not think that would be acceptable to the person who is handing out the money.

In the case of budgets, the money is being handed out on behalf of the nation by its appointed representatives. These allocations may, in the view of our friend across the way, be legal, but I feel very uncomfortable. You might have a situation where we may suddenly take funds that are allocated to the defence force, and rather than buying trucks, they might go out and buy a helicopter to blow up somewhere. I do not know how well we can entrust public spending to people who feel that they can juggle whatever they feel like juggling within the year, and come for a supplementary allocation when the time comes. It is a matter which gives me concern.

I will like to examine the matter of BWIA, which others have looked at from different angles. It is all well and good for us to come here today and say, "We have to allocate this now officially to that area", and do that to that area, but there are many things that occurred before this stage had been reached. It was not an overnight decision to shut down BWIA. Shutting it down was a gestating idea in the mind of the Government for several years before the event took place.

In the course of time, while the Government was ruminating on the idea, trying with Acker, this one and that one, to set BWIA on course, they seemed to have had a long-term intention of shutting it down.

**7.15 p.m.**

They say that it was saddled with inefficient personnel, cost overruns, improper management and so forth, but we have in the very allocation that we are now seeking to reshuffle, areas of government departments spending where we had inefficiencies and cost overruns that we have no option but to attend to and put in order. The point I am making is that you do not shut down a national airline which has had over 60 years of goodwill, learnt to present smiling faces and have a good expertise in the affairs of airline running simply because you do not like the idea of subsidizing that airline.

I think it was the Minister of Agriculture, Land and Marine Resources who mentioned some of the international airlines that are in similar positions. I do not know that any nations of the world have decided to scrap their airlines and reformulate a baby airline that is now going to make baby steps to reach where the other had not; and worst of all, have to expend sums to establish this new airline in excess of what the old airline was asking for survival.

It is amazing that the Government decided on that. I cannot see that there was any other reason than political thinking which led to the shut down of an airline with all those assets and capabilities; because the airline was complaining that rising fuel costs, which is a common factor in so many airlines in the world, was draining their profitability, was the cause of their failings. In addition to which, the airline personnel always complained.

I used to be in the travel business at one time, and many times the aircraft would be packed with non-revenue flyers, contacts to people who were connected to the Government, in one way or the other, from first class seats right down the line; and then we wonder. [*Interruption*]

**Hon. Senator:** The PNM Government?

**Sen. M. F. Rahman:** Yes, the PNM Government of prior years. There is no question about it. Ministers used to have stacks of Miscellaneous Charges Orders (MCOs) for future travel, and they cashed them in and got their tickets whenever they wanted them. This is not a recent development, as a matter of fact, this was not BWIA issuing them; this was MCOs issued around the authority of ministers; "Give so and so, so and so." [*Interruption*]

Mr. President, may I continue to address you, Sir? I am speaking about matters here that are real history, and if you do not believe it, you should speak to some of the old ministers who can no longer use their MCOs. There were ways to cut that practice out. There were ways in which that could have been regularized, but BWIA too often had to carry non-revenue passengers, and this is a fact.

Here we are coming back to the issue of rising fuel costs. The Trinidad Government used to supply the majority of fuel for the airline. They gave no concession to the airline for fuel, thus eroding the profitability of the airline; insisting that it ran certain routes that were not profitable and, generally, in many instances, manipulating the airline into a situation of compromising itself. There was one of the worst aspects of the closure of BWIA, which I have in my mind; so let me say this before I forget.

In those years when the Government practically decided to shut down BWIA, it came to the public and offered to divest some of its shares in favour of private investors. This created in the minds of the investing public that it was an opportunity to invest in their airline and make some money; but the Government had already decided to shut the airline down. [*Interruption*]

Mr. President, may I ask for your help, Sir?

When the airline was opened back for private investment, the Government pulled the rug from under the feet of the investors. I wrote a letter in the press advising the investors what to do, because I felt that the Government had given bogus fiduciary advice to potential investors. As I understand it, the law has become tightened with regard to persons offering fiduciary advice, especially to trust companies, to persons who come to them for advice.

I got a call one morning at 7.00 a.m. from one of the gentlemen who had read my article thinking that I was involved as an investor. He said that he would like to come along with me. I said that I was just a commentator telling what should be done. "Have a meeting with your investor friends; get together and sue the Government." This was, of course, before my present position here. I have always had an interest in this matter; that is why what I am telling you today is not being presented because I am on the other side. I am speaking as a citizen of this country who has always been concerned about the immoral practices, particularly those emanating from the Government's people.

So here we have a position where the Government encouraged investors to come in and betrayed them. This is very much along the pattern that the Government has practised in its manoeuvring through the years. Who can forget when the Penny Bank, Workers Bank and National Commercial Bank (NCB) were brought together by fiat, and FCB was formed. The Government arbitrarily cost depositors money. Those banks were virtually put into liquidation. I do not know the mechanics of it but, essentially, thousands of people who had their money in those small banks, lost it, and the Government said that was the way it worked sometimes.



The Government does not like to compensate its citizens for the losses they have brought about. It is not even interested in bringing in a compensation package for people who suffer from criminal violence, but this brings me to the most comprehensively evil act I have seen this Government perpetrate on this nation. When I say “this Government”, not the current, just-returned Government, of course; I am speaking of the PNM administration.

I heard the Prime Minister on television last Friday boasting about three or four things that his Government had done to give this country great things. It is my view that notwithstanding the speech of the last very articulate Senator, the term Vision 2020, at least, in the eyes of the Prime Minister, seems to me to be another skyline. We have a beautiful crop of buildings now by Hyatt, and across the road it looks very impressive when you come into the city from along the PBR, which I have the privilege to drive on now, much to my joy. Thank you. It is a great pleasure to see these buildings all stacked up, and it looks like a little piece of New York, and now we are starting to see Vision 2020.

I think my friend made the point that buildings are not really for governments to build. The buildings that governments should be building are schools, housing for the people, police stations, prisons, if necessary, hospitals; buildings that bring a social benefit. You are building schools, are you?

**Hon. Senator:** Yes.

**Sen. M. F. Rahman:** When you are building five police stations, there are 20 falling apart all over the place, and you give priority to bringing in Chinese labourers to build buildings to have a nice Vision 2020, I do not think you are doing the right thing. Your idea about doing the right thing is doing a little bit of the good and plenty of the unnecessary; no. If you really want to be doing good, you must prioritize so that the things that you do are the things that count.

There is not much which a government is really required to do, you know. First of all, it is required to provide security for the people to ensure that the people live without fear. That is one of the main things, to ensure the people can get food, shelter and clothes. They do not even have to have fancy cars. Education is one of the most fundamental things, of course; Dr. Williams is the one who established that. [*Desk thumping*]

I will not deny the contribution of that “Father of the Nation”, even though I know the Prime Minister last Friday extolled the only Father of the Nation. But I have a distinct recollection of himself advertising himself as the “Father of the Nation” a couple elections back and, having been very much embarrassed by the

*Finance (2007) Bill*  
[SEN. RAHMAN]

*Tuesday, January 22, 2008*

outrage of that call, he decided to pretend that he never tried to claim the title. Today it is good to see that he has awakened to his folly and realizes that there is only one “Father of the Nation” for all time. [*Interruption*]

I am giving you some discomfort, am I? [*Laughter*] I was on the verge of telling you what in my view was the biggest betrayal of this administration to our nation. One of the things I believe our Constitution safeguards is the right of the individual to enjoyment of his property. This is very important fundamentally. So the robber, thief or murderer who sticks you up and asks, “How much money you have in your pocket?” if he is reasonable, he would ask for 20 per cent of it. Of course, that does not happen, but I am saying this for a reason.

If the robber asks for 30 per cent of your money and you get to keep the balance, you would say that is a very reasonable robber; but when the Government does that, how can you regard, with any sympathy, what this Government has been doing?

**7.30 p.m.**

What this Government has been doing ever since—and I have written a lot about this, you know, so this is a subject which I have been complaining about in the press for years. When the Prime Minister boasted last Friday on the television that floating the currency was one of the greatest things that this Government ever did, Mr. President, I was aghast. In 1993 he assured the nation that devaluation was not on the cards and I actually celebrated that. I have been advocating the floating of the dollar before he had even come out in the public with it—it is on public record. There is a book that I wrote, gentlemen, that testifies to that and it was published in 1994 and includes articles published in the press since 1990 to 1993. So as the Prime Minister likes to say, “I know that of which I speak” or some fancy way he has of saying that.

**Sen. Piggott:** You need a marketing manager for the book.

**Sen. M. F. Rahman:** Yes; it is too expensive to sell.

He claims to have floated the currency, but do you know what he did? He submerged the currency. He did not float it. He put it on a controlled descent like a submarine. You know a submarine can submerge and it could go right down and get crushed with pressure or it can stay at a middle level. Ships float; submarines sometimes submerge and what the goodly Prime Minister did at that time was to submerge the currency and, worst of all, handed control of the currency of this nation to the banking sector.

I do not know if this has sunk in over the years that I have been writing about it, but sovereignty of a nation hinges upon its control of its currency and when you cede control of the currency to the banks, it is the banks who decide what your goods cost you. What the banks did successively after those years was to continue to devalue and devalue and devalue, 5 cents, 10 cents, here and there, and I will tell you at the time, because of the holdings of the bank of US currency, every time our currency was devalued one cent, the banks collectively made \$5 million. That was the time when banks suddenly started to show \$100 million profit per year. Of course, that has now gone up to \$600 million and \$700 million. Up to today the banks control the currency. Of course, they are kept at bay because there is always the threat that Government may step in and do something else to them, but that calumny that was visited upon the people caused everyone who had money in his pocket to wonder what hit him when he went to the supermarket. [*Interruption*]

I am sure he knows all of this but, you see, many people play by the rules of the game that are set and they do not protest. What has been happening is that by recurrent devaluations, our dollar has been losing its purchasing power and all the goods that we import into this country cost us more. Do you want to know the reason for the increasing cost of goods? It is because our currency has been consistently devalued. Today, one of our dollars is worth US 16 cents. How is it that the banks are no longer devaluing? The banks do not have to devalue anymore, because they are now holding their moneys in euros and sterling and as the US dollar is being submerged on the world currency markets, their stocks are rising, and we are continuing to face, in real terms, a de facto continuing slide and devaluation of our dollar.

So that goods are costing more and more. Do you want to know why the locally produced goods are costing so much? It is a very simple thing. The farmer has to come out with the money that he makes to buy the expensive goods, so he has to charge you more for his goods. It is as simple as that. This is quite apart from the fact that we already have a shortage of supply of locally grown foodstuffs, and so on, and, of course, our perennial flooding and all of the other attendant miseries of agriculture in this country which have never been addressed.

But, you see, what we have been facing through the years is compounded calumny, violence and betrayal. So when I heard Mr. Manning say that that was the great pillar upon which he built the economy of this country and the economy of this country is based upon our natural resource—I mean, you cannot even run from the money; the money is coming at you. We are not doing anything to

*Finance (2007) Bill*  
[SEN. RAHMAN]

*Tuesday, January 22, 2008*

generate money. When he said a great decision they made was to monetize natural gas, I want to say in present language “duh”. What else could you have done with the natural gas? There is where men like Mr. Duprey, who was previously mentioned by the other side, came in to invest in all of these gas plants where we are now earning so much money.

The Prime Minister also extolled his predecessor as a very wonderful man and I remember distinctly during those years when I was travelling out of the country—I was in business at the time and I travelled very frequently—I started to get a—let me say in this Senate, I used to be a supporter of the PNM for years, from the days of Dr. Williams. I was a PNM boy. When I was in college and Dr. Williams came out, I used to go to the University of Woodford Square to hear him and he was an inspiration. But what has happened since then is a complete volte-face to his policies and his views.

I was at a particular point and I got distracted. Anyway, coming back to the matter, the whole matter of currency manipulation and betrayal of the nation has brought us to the impasse that we are today. And do you know something? When we are talking about a \$41 billion and \$42 billion budget, if we had a better rate of exchange—and I would tell you, our rate of exchange is not based upon any supply and demand; it is by fiat. It is to give the banking sector and the wealthy people who used to be hoarding their money outside the country, the wealth that they have today and to produce that chasm between the rich and the poor. But it has always been my recommendation that we should have a phased revaluation of our dollar by the very fiat that the Government exercised to cause it to go into devaluation.

If you want to reduce the cost of living; if you want to make life easier for the people, revalue the TT dollar. This has been my begging cry for the last 12—13 years. Please, do not let us slide anymore. Delink it from the US dollar. That is the first thing we have to do right now; delink it from the US dollar. We are going down into a black hole and as long as we stay linked to the US dollar, we are in for increasing trouble.

One of the things I have regularly heard people say is that poverty has nothing to do with crime and I could never understand how these people think. Necessity can make a priest a criminal. If you want, I am not being unkind; it could make a maulana a criminal; it could make a pundit a criminal, because when we are pushed into a situation, we lose the veneer of civilization that we have and we become the animals that we are, basically, when it is necessary. May God forgive

us. But, you see, it is because of crushing deprivation and poverty that a lot of our young people have resorted to crime and to the drug trade at the level at which they indulge.

We have not been paying attention to the causes of our predicaments. We are in denial; we are looking for fancy buildings. You know, it is a very unfortunate thing that when you are in a good position and you have nothing bothering you, you are in a euphoric state; you do not understand the problems of the poor and dispossessed. I say this seriously: How can you be really concerned with the poor, the needy, the destitute and the desperate when you are living in a \$148 million mansion? They do not go together. When Muammar Gaddafi seized power in Libya many years ago, he told his ministers: “Nobody in any palace, you know; you have to live like the ordinary people”, and this was one of his watchwords.

**Sen. Piggott:** Mr. President, on a point of order; section 35(1). I am wondering how long would the hon. Senator continue to go on with this irrelevance.

**Mr. President:** Sen. Rahman, would you please take your seat?

**Sen. Piggott:** The matter of relevance is critical here, Mr. President. I do not see the relevance of a number of the statements he has been making for a long time now in this Senate this afternoon.

**Sen. Mark:** You talk about an hour and it was irrelevant and we allowed you.

**Sen. Piggott:** It was not irrelevant.

**Mr. President:** Hon. Senators, I tend to agree that the Senator has certainly sailed way off course, but we are talking generally on financial matters and there is a loose nexus, but I would ask you to try to bring it back a bit nearer to the subject at hand, please. [*Crosstalk*]

**Sen. M. F. Rahman:** Thank you, Mr. President. I have been trying to show you that the measures that we are being called today to approve have their genesis in irregularities and betrayals. The BWIA matter, which is where I started off, is a request to validate a matter that was founded upon deception and the destruction of the wealth of the investors that the Government invited to join. With due respect, Mr. President—and I do not want to contend with you at all—if my sails have got caught in the wind and I have gone a little adrift, I will try to stay closer to home, but I know that these things which I am speaking about here this evening, strike home and they are touching the nerves of the Government. I have been talking also about the pronouncements of the Prime Minister last Friday

*Finance (2007) Bill*  
[SEN. RAHMAN]

*Tuesday, January 22, 2008*

which I heard with my own ears on television, when he was dealing with these same subjects and he was not deemed to be irrelevant. He was talking about issues that prove—and some of the watchwords of the contribution of the other side are prudence, good governance and good management. I am dealing with the points that they are raising. With due respect, Sir, they have been talking about these issues. They have not come here to talk about why the Bill here should be allowed.

**7.45 p.m.**

They had this beautiful speech by the last Senator extolling her Government's wisdom and all these other things. I am dealing with the issues as she was. [*Desk thumping*] I believe that I have covered the Bwee matter. I have shown the betrayal, the dishonesty and why Caribbean Airlines as a fledgling airline would fail just as Bwee because it would have to pay the same fuel cost and it does not have the benefit of smiling faces. They have reduced routes. This is the issue of this Bill.

The other matter is about the Central Bank. I am a little less informed than Sen. Ramkhelawan on financial matters. I have to say this from the perspective of how I view it. I have a big problem when I am told that the reason for this injection of authorized capital for the Central Bank is to emphasize the bank's financial strength and operational independence. They are telling us it is a cosmetic thing. We have to look big so we must have big money. That makes me very suspicious. This Government has been building many buildings and I wonder seriously, what is the purpose of injecting \$800 million into the Central Bank? Is it to empower the Central Bank to buy properties from the Government and refinance the Government with a slush fund to do the things that it wants to do? I do not know. I have been looking for a reason.

The Central Bank exercises its strength and authority by fiat. It is empowered to do these things because it was established for the purpose of safeguarding our currency. It does not need big money of its own. It could be a one-dollar organization with the power given by law.

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

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

*Question put and agreed to.*

**Sen. M. F. Rahman:** Thank you, Mr. President. I must record my appreciation to the majority on the other side to permit me to continue at their expense, although I know that for them to have suppressed my expression tonight, would have made headlines tomorrow morning. Perhaps, they have been magnanimous with a gun in their ribs. [*Laughter*] Thank you. I do appreciate that.

I have reservations about the long-term plan of the Government to enhance the authorized capital of the Central Bank. You wield authority here and you do not have to show how much money you have. You say, "Shut up!" I shut up. You say, "Jump!" We jump. You say, "Disperse!" We disperse. Central Bank has a similar authority and a grander authority in the financial affairs of the country. The Central Bank does not need any injection. Interestingly, the Central Bank only has to say by fiat that its authorized capital is \$20 billion and not worry to bring it. Your authorized capital is what you are permitted to go up to without even going up to it. Private companies have an authorized share capital and the two founders or one founder only needs to have a one-dollar share and he could run a billion-dollar company.

**Sen. Browne:** Mr. President, on a point. I do not think that I can allow the hon. Senator to continue along that path. We are not talking about authorized capital; we are talking about issued capital. This capital is subscribed and contributed to the bank, even if they may be allowed to increase their authorized share capital to any limit that they want. We are talking about issued cheque for which there is an injection.

Sen. Ramkhelawan made the point that the financial sector in terms of deposits is \$44 billion. By extension, if we add the credit union and insurance sectors, we would be talking about a maximum of \$80 billion for which the Central Bank's capital is approximately \$800 million on the basis of its maximum capitalization in terms of issued capital.

In terms of a ratio it is a very small one. There is generally a relationship between the size of capital with the amount you manage. In this particular instance having a share capital of \$100 million is unconscionable. It is just out of whack.

In addition to his going on to the point that he made earlier with regard to the financial institutions, if we could go back to that time when there was a banking crisis the Central Bank did a number of things. [*Interruption*] I am correcting and redirecting him. I am making the point that if he continues along those lines, he is missing the point entirely. [*Interruption*] I need to put him on track.

**Sen. Mark:** On a point of order. This Minister is abusing the process. If he wants to make a point of clarification he is allowed to do that. He cannot interrupt a Senator by making a speech.

**Mr. President:** Minister, on a point of order you may rise and you may correct any Senator in terms of the Standing Orders. If the Senator chooses to give way, as apparently he did, you can give way. It is only his courtesy when he does that. You should try not to abuse the amount of time that he has given you because it is his speaking time. You were within your rights to speak because the Senator gave way.

**Sen. M. F. Rahman:** I invite the Minister to address all these points when I am through. I may be entirely wrong in what I am saying, but I am here to contribute to this Senate from the perspective that I see. I cannot speak from your eyes or the eyes of others. I can only speak from the point from which I see things. It is not with any malice.

We have to understand that the public has to appreciate what the Government is doing. The Government is at liberty to correct all the wrong impressions that we may present, sincerely, so that the public would be guided. If I, as a person appointed in this Senate misunderstand, can you imagine the bigger misunderstanding out there? It is definitely in the interest of the Government to address these matters on public fora and say why it is doing this and that.

In the Bill being presented the statement that it is being done to emphasize the bank's financial strength and operational independence is clearly stated. While it may appear out of whack, it has nothing to do with fiat. The law says that you are in charge. You do not have to put up a bond or show that you have money. Out of whack in a commercial sense, yes; not out of whack in an institution appointed by the Government for the purpose. As a matter of fact, the whole system of finance, Central Bank control and currency fluctuation matters impacts on the welfare of the poor man and often provides opportunities for the more fortunately placed to take advantage of the situation and further abuse the small man. These matters must concern us. When the Minister said that the shifting among the sub-heads involved no new appropriation, he was saying if it is a new appropriation we could make a fuss, but we want to assure that this is no new appropriation. We are dealing with Central Bank, Bwee, Caribbean Airlines and these are new appropriations. When he says that the shifting among these sub-heads are not new appropriations so you do not have to worry, he infers that the others require our attention and concern.



He should be more tolerant. He comes from a banking background. This is where the crux of the matter is in this controversy because his perspective is not from that of the poor. It is from the perspective of the banking sector that in this country the money was given on a golden platter, the key to the control of this nation's coffers, wealth, cost of living, standard of living, cultural development and everything else.

Since those years that we have to barricade ourselves in our homes; increasing numbers of security companies are mushrooming and today, an increase in bloodshed because of the poverty that has driven so many into a life of crime. The unfortunate thing is that having entered into a life of crime from poverty and necessity, it has become profitable and now a career. We have a situation where all that I have been saying here this evening is very germane to the issues. Sen. Dr. Saith honours me by agreeing. I am very touched. [*Laughter*] This is integrity.

As I have paid tribute to Dr. Williams, I say here openly that I used to be a very ardent PNM supporter, until I faced the KGB thing where you go to the airport and they go through it to see what you have and want to know what you are taking away from the country. The government of that day had a full sponge and the government figured that the best way to keep the water was to squeeze it. That is what it did with foreign exchange in this country. When a millionaire in this country was travelling he had to get the same allowance that a poor man had to get. You are telling a millionaire who could go anywhere he wants locally, that when he is travelling he has to go as a pauper. How could you expect to safeguard foreign exchange in this country in those circumstances?

We had ECO, this and that and so many other measures to take and that is what our Prime Minister looks up to and probably, has taken pattern from. We have a disconnect between reality and vision. As my colleague, Sen. Dr. Charles said, when we can start to see the reality and come out of denial, then our vision would improve.

Mr. President, I see that my time is running out. To the relief of the other side, I say thank you very much. I do appreciate your kindness.

**8.00 p.m.**

**Sen. Helen Drayton:** Mr. President, thank you for the opportunity to speak. I will confine my comments to the Finance (Supplementary Appropriation) (2007) Bill. In so doing, I want to place the comments in the context of two things—the Government's

*Finance (2007) Bill*  
[SEN. DRAYTON]

*Tuesday, January 22, 2008*

2020 programme and also a strategic and operational risk management mechanism that would include systems of effective monitoring and evaluation of projects and a system to ensure some measure of accountability.

Given the huge task under the 2020 programme, such risk management programmes should be the foundation pillar upon which the Government must implement its programmes if it is to achieve success and realize the benefits of the major investment being made socially and infrastructurally.

Let me acknowledge that the 2020 programme is laudable, highly commendable, shows a great deal of foresight and augurs well for the future. Let me also acknowledge that the Government has had very good achievements under this programme, such as the poverty levels, the reduction from 31 per cent to 16 per cent according to the government statistics, housing and many worthy social programmes, to cushion the effect of a country in transformation. Having said that, there are many issues in this Bill, certainly. It begs many more questions than it gives answers or reasons for transfers. I am not going into all the details. Much has been said already.

I also recall a statement made by Sen. Dana Seetahal SC with respect to the budget and approval process. Let me also say that for any executive undertaking the transformation of any system, organization or nation, it would be highly unusual if there was not a need for budget adjustments and transfers during any given year, not if there is robust implementation. So it is certainly a question of how and of ensuring that the policy guidelines are adhered to in the context of implementation.

Having said that, many dollars are being spent on critical social and infrastructural services that will not yield the full desired results if there is not efficiency in implementation. What I see in this document, I will take at face value. I will not ask for clarification. It has reached the Senate and if it is an issue of reporting, let that also be documented evidence that the Government must take on board, very seriously, the question of efficiency, accountability and competency.

I turn to three critical areas, which are: the Ministry of National Security, Item 3, where the reason given for the transfer of the \$427.4 million was to bring to account disbursement for the supply of offshore patrol vessels for the coast guard. I tried to grapple with that language. I still do not know whether it is a loan, and if it was a loan, to whom. Be that as it may, it begs the question—

**Sen. Browne:** Thank you very much for giving way. I will just clarify this point because it was raised several times. The \$427 million represents the loan proceeds which were used to make payments to the shipyards. Perhaps it is an archaic form of accounting. It is being brought to book. It is a top and bottom entry, put there to show that the funds were spent. It is financed by capital proceeds as distinct from general revenue. That is a point I would like to make. I made it to Sen. Basharat Ali in the corridor and I make it to you again.

**Sen. H. Drayton:** I am glad for that clarification. Others have commented on the fact that an accounts unit could not calculate the arrears of overtime to the tune of \$20.8 million. Under Item 11, the Ministry of National Security states that in the context of the police reform legislation, contract positions created to provide—this is critical support to the Commissioner of Police—were not implemented. It went on to explain that \$67.6 million was transferred because acquisition of vehicles and specialized equipment contracts were awarded too late.

There is a thread running through the entire Bill. In education, it was mentioned earlier that it would appear that the \$42.3 million for procurement of textbooks was not budgeted for. This is a recurring programme so it is difficult to understand why not and, of course, the Textbook Rental Unit was unable to complete its schedule because two assistant positions could not be filled. As I said, there is a vein I will comment on later.

I noted a relatively small sum of \$2.2 million under the Head spent for the sealing of surface roads in rural areas. While I do not necessarily refer to a specific rural road, I think it is fair to state that Trinidad and Tobago is the only country in the world where roads are paved probably more than the moon shines over Mayaro and therein lies the problem. Right around this area where the roads were paved just before the World Cup, there are signs of crater formation. That suggests two things: either there is no supervision, the supplier is doing a shoddy job and taxpayers are paying and not reaping the benefits of that investment, or the scope of the work is not properly defined because the roads do not need repaving, but refurbishing and rebuilding to relay a proper foundation. This is what I mean by efficiency.

Under health, \$75 million was needed to procure additional pharmaceutical and non-pharmaceutical items. This begs the question of some routine management matters. Where was the inventory and supplies management?

My reason for mentioning these few salient items was simply to highlight what I hope was already known, that is, that the management of finances is not about moving \$1 from one column to the other. It is not about surpluses. Indeed,

a surplus might not be a good thing in some respects in that if you are budgeting for items that are important, it means that those projects are supposed to be done to bring benefit to citizens. If it is not done and you have a surplus, that is not a positive. It is about the proactive and effective allocation of resources. It is about managing financial, human and technical resources.

So if there is efficiency, when we speak about \$2 billion going into a stabilization fund, it will be possible to put probably twice that amount to realize some of the laudable goals—I think Sen. Ramkhelawan mentioned earlier—toward our US \$20 billion. That is the bottom line of efficiency.

Given the glaring issue emanating from this Bill, the Government needs to pause and reflect—not stop its programmes; it must continue its programmes—it needs to rethink the composition of its expenditure to include proper mechanisms to monitor and evaluate its performance, especially in the areas of capital expenditure for infrastructure for primary health, education and the police service because these are the areas where, both in the medium and longer term, we will reap the greatest social rewards from those investments. These infrastructural items are also the foundation upon which you will get growth or promote growth in the non-energy sector, which is a sector our children and their children would have to rely on in years to come.

Whilst I am in full agreement that we must wisely use natural resources and fully exploit our competitive advantages, we need to reflect, and the Government needs to sit back and think where to get the quality resources it requires to underpin the continued implementation of its programmes. I think Sen. Wade Mark mentioned capacity. The capacity to implement means that you must have the human and the technical capacity. It is not only money. I would like to suggest, therefore, particularly in the context of the accountability and controls, that Government should give serious consideration to implementing independent risk management and internal auditing units within itself but outside of its departments and agencies.

I will touch briefly on one other item, which was the major reason that advances were utilized, and that is to make the first instalment on the \$400 million payment for the capitalization of the Central Bank. I will not go into detail. I support 100 per cent what Sen. Subhas Ramkhelawan said with respect to the Central Bank and its ability to generate its own resources for operations. The only question I would ask, to which I do not expect an answer today, is: Is the \$800 million adequate? I ask this, given the levels of government spending, the growth in the economy, the growth in the assets of commercial banks, the fact that

the Central Bank now has under its careful watch non-bank financial institutions, and given the overall climate that is characterized by crime where you see the migration of people in the productive age group, the Central Bank might seriously need to re-examine the criterion, that is, the 1.7 per cent ratio of authorized capital to its total assets. Should it keep that there, adjust it or complement it was a suggestion made earlier.

**8.15 p.m.**

There are no definite rules with respect to the capital adequacy of central banks, as in the case of commercial banks, but there is one qualitative factor and that is that they must be strong, independent and there must be a great deal of public trust and confidence in the institution and its monetary policies.

I think that the following quotation from an IMF report on transitional economies is very relevant. It states:

“Today developing economies are faced with issues such as the transition from managed to free market economies. The main concern is often controlling inflation.”

In most developing countries, most emerging markets, there are issues of inflation because the governments are spending for infrastructure and education. It would have, naturally, as we see, an impact on inflation.

“But government intervention, whether direct or indirect through fiscal policy, can stunt central bank development. Unfortunately, many developing nations are faced with civil disorder..., which can force a government to divert funds away from the development of the economy as a whole.”

I think this is a critical relationship between government spending, the role of the Central Bank and the whole issue of economic and social stability.

Mr. President, the Government knows where it wants to be, which is its 2020 goal. Where are we now? A useful gauge might be the Global Competitive Report/World Economic Forum Report, which most of us might be familiar with. It speaks of three stages from underdeveloped to a developed nation state.

The first stage is the healthy institutions in the private and public sector and how they interrelate to generate income and wealth; a high quality infrastructure, which is required for an efficient, functioning economy; macroeconomic stability; health and primary education. I do not think anyone can not emphasize the importance of primary health care and primary education, to the health of a

country; a lot of what we are seeing now, in terms of gangs and children with guns. They were in a primary school. No one detected the developmental problems: they could not see on the blackboard or they could not hear; they were dyslectic or they were called dunce; they moved into a secondary school, they dropped out; they went into gangs; they are shooting us up and we ask why.

When I see that moneys are allocated for a very important item such as primary education, and it is not being spent because the resources are not there, it is a serious concern. If the Government does not take note, as I said, to the effect and address these issues, it will be sabotaging its own programmes; self-sabotage. It has done a lot of wonderful things and there is no credibility with respect to the programmes. That is because of the issue of efficiency.

The second stage is described as the key efficiency drivers. Incidentally, they rated us 74 on that and 57, in terms of the first stage. These key efficiency drivers are higher education, training, retooling, labour market efficiency, technological readiness and market size.

Stage three describes innovation and business sophistication. They ranked us 79. What is interesting is that they placed us in stage two. In other words, they are saying we are one stage, although it would be a long time before we move to that developed state. They are right on the situation of efficiency. It is a point, and if the Government does not pause to ensure that the proper systems and processes, the human resource, the skills and competencies that it needs to support the implementation of its programmes are acquired, we will not achieve developed country status by 2020.

Before I close, Mr. President, I want to make one special appeal to the Government and that appeal is for the Children's Authority (Amdt.) Act of Trinidad and Tobago to be implemented. That the Children's Homes, Rehabilitation Centres and Foster Care Bill and all other matters pertaining to the welfare of our children, be dealt with expeditiously. In so doing, they will be assisted in growing up to be very productive citizens, and will reap the rewards of the investments that we are making now.

Thank you.

**Mr. President:** Hon. Senators, allow me to congratulate Sen. Drayton on her maiden contribution. It is 8.21 p.m. and we are about to take the dinner break. I think this is an appropriate time. We would suspend the sitting for 34 minutes. We will come back at 8.55 p.m.

**8.22 p.m.:** *Sitting suspended.*

**8.54 p.m.:** *Sitting resumed.*

**The Minister of Health (Sen. The Hon. Jerry Narace):** Mr. President, let me begin by extending congratulations to all my colleagues who have been appointed Members of this honourable Senate and especially to those like me, who are serving in this capacity for the first time.

Regardless of where we sit in this august Chamber, we have been entrusted with an awesome responsibility to look after the business of the people of Trinidad and Tobago, to ensure their welfare, to protect their rights, to enhance their quality of life and to so conduct ourselves that we are an inspiration to those on whose behalf we serve. Like my colleagues, I too take these responsibilities seriously.

I rise this evening to support the Finance (Supplementary Appropriation) (2007) Bill, introduced today by the hon. Minister of Finance. While I am tempted to digress to address some of the misguided comments which have emanated from some of my friends on the other side, I would largely deal with matters raised in the health sector.

Mr. President, I wish to give you the assurance today that my conduct will be guided by respect for the people of Trinidad and Tobago and all Members of the Senate, especially my friends opposite, whose frustrations I understand, since they know that as this Government continues the good work it has been doing, their stay over there will be a very long one.

Mr. President, I wish to intervene on a couple of comments that have been made today; one made by the distinguished Sen. Wade Mark, where he said the health sector was in shambles. I wonder if the many thousands of workers in the health sector and the many fine workers in the medical fraternity would agree with such a comment. They are fine people working very hard to bring health care service and delivery to our citizens.

I wonder if Sen. Mark realizes that over 300,000 citizens have benefited from CDAP. I wonder if he realizes that as at October 2007, 12,573 students benefited from the reintroduction of screening services for early detection of hearing and visual impairment among actively enrolled students in government and assisted primary schools in Trinidad and Tobago.

I wonder whether he realizes that there has been a 69 per cent decline in the number of AIDS cases and a 50 per cent decline in the mortality rate, with respect to AIDS related deaths.

*Finance (2007) Bill*  
[SEN. THE HON. J. NARACE]

*Tuesday, January 22, 2008*

I wonder whether he realizes that the National Transplant Unit was established in 2006. I wonder whether those people who have benefited and those who are about to benefit share his view.

I wonder whether Sen. Mark recognizes that during the period in which the Finance Bill is currently being debated, the five main hospitals received MRI machines, where 270,000 persons received CT scans, MRIs, ultrasounds and so forth.

I wonder whether he realizes that we have been able to establish a catheterization laboratory and 92 procedures were allowed between May and September. I wonder whether he realizes that the surgical waiting list, an initiative of the Government, facilitated 12,000 surgical procedures?

**9.00 p.m.**

Mr. President, permit me to bring to the Table some of the interventions made, as this Government sought to demonstrate to this population that it cares, by making the social interventions that the people so badly required.

**Sen. Rahman:** And the relevance to the Bill. [*Laughter*]

**Sen. The Hon. J. Narace:** Mr. President, this issue about the amount of money spent was raised by Sen. Mark. He said that the health sector was in shambles, and on that issue I am permitted.

Mr. President, I wonder whether he realizes the many infrastructural arrangements that we were able to provide. I would not go through the very long list. I wonder whether he realizes that 289 open-heart surgeries and 784 angiographic tests were done during that period.

There were 375 persons who received fibroid embolization procedures. We have trained over 1,000 nurses and nursing assistants and 1,000 patient care assistants.

Between 2005 and 2007, we were able to admit more than 20,000 more persons to the Eric Williams Medical Sciences Complex. These are just but a few highlights of some of what was achieved with the amount of money. These interventions were made so that ordinary citizens of Trinidad and Tobago—the very vulnerable citizens that the Senator spoke about—were able to make an intervention in their lives. The very distinguished, Sen. Cindy Devika Sharma, also expressed some concerns in that regard.



Mr. President, I wish to inform this honourable Senate that successive PNM administrations have always made important interventions in the lives of the people of Trinidad and Tobago, mostly interventions in the social sector—whether it was in education or health care but, certainly, in the social sector.

Mr. President, what successive PNM administrations sought to do was on an ongoing basis to re-strategize and come back with improved delivery of all kinds to the national community. This brings me to the second intervention that I wish to make.

You would recall that Sen. Dr. Carson Charles talked about the kinds of plans used, and he asked where did they come from and whether I had done the 100-day plan. I wish to bring to the attention of this honourable Senate, a document called Vision 2020 which is a national strategic plan. This is just the draft, but there was a further edition of this document. In that plan, we had five developmental priorities:

- developing innovative people;
- nurturing a caring society;
- governing effectively;
- enabling competitive businesses; and
- investing in sound infrastructure environment.

Mr. President, this is our bible, and it is a vision to take this country to First World status.

I recall the very distinguished Sen. Dr. Carson Charles saying that a First World people would look after mundane things and then move on, and that is why I make this intervention. I want to refer the Senator to page 33 of that document. The health sector falls under “nurturing of a caring society”. It speaks to the vision that we have for health care delivery in Trinidad and Tobago. I am going to go through it quickly; I would not be long.

Our primary, secondary and tertiary health care services must be accessible, affordable, dependable and efficient. There should be an increased level of Government expenditure on the health sector, and this would ensure that there are adequate resources, institutions, hospital beds, medical personnel, medical drugs, midwives and so forth. It goes on to talk about many more specialized services and local practitioners, for example heart and eye specialists and so forth. It also speaks of the reduction in the prevalence of communicable, non-communicable and lifestyle diseases.

*Finance (2007) Bill*  
[SEN. THE HON. J. NARACE]

*Tuesday, January 22, 2008*

Mr. President, this vision for our people is likely to lead to our nation being empowered to live long, healthy, happy and productive lives. That is a very important intervention that this Government is making in the lives of the citizens of Trinidad and Tobago. I can go on to talk about the complete vision, but I would like to refer all Senators to page 33, in the interest of time, and I can tell you what our strategy is.

Mr. President, you would recall that when we went to the national electorate, we had a plan to improve the social circumstances of all the people of Trinidad and Tobago. This is a key component in the health sector. So, when my good friend, Sen. Dr. Carson Charles speaks about the mundane things, and where the 100-day plan came from, it is indeed my pleasure and honour to share with the very distinguished Senator where they came from.

Mr. President, this Government is committed to consultation, collaboration and results. As I said, all of us in the private sector know that good managers would go and bring new strategic initiatives and seek to reorganize and reengineer themselves even though the vision remains constant. I am sure that many of my colleagues on this side are engaged in similar arrangements.

On our assumption of office, the Ministry of Health engaged in the process of consultation with stakeholders, partners and potential partners in the health sector including trade unions, professional associations, health care experts and international agencies among others. The recommendations of the Gladys Gaffoor report featured prominently in these consultations.

Mr. President, it was the PNM administration that ordered the commission of enquiry, seeking to get as much information on a wide consultative process. Anybody could have gone to the commission and given their views, recommendations, shortcomings and so on. So, between the Gladys Gaffoor report and all the consultations, we were able to discuss at these meetings issues pertaining to the health of the population and the state of the health care delivery system.

The stakeholders, partners and potential partners were invited to make submissions to the Ministry on solution-oriented measures for improving the health sector. I am pleased to announce that 95 per cent of the persons consulted made their submissions and identified change actions in many areas, including policy development, science and technology, regulation, monitoring and programme management. These consultations have revealed that while there were

many sound programmes and policies in place, there was an overwhelming number of good people. We found a lot of good people in the health sector, but we also found some systemic and other deficiencies.

In order to meet the Government's aspirations of achieving developed country status by the year 2020, we commenced that process. Only PNM administrations know how to commence the process of reengineering and transformation of the health sector.

Mr. President, when we get all these submissions it is our intention to do a distillation of all these submissions, and to come up with a short, medium and long term transformational plan, ensuring that we achieve First World health care delivery in Trinidad and Tobago long before 2020. [*Desk thumping*] You must never damn the bridge that you cross.

The transformational agenda would validate and integrate existing programmes and plans, all in keeping with our Vision 2020. Mr. President, do you know what we have recognized? In all of these discussions—in fact, I must confess to Sen. Dr. Carson Charles—and some people have made the points that you made. They said that there are some things that we can do to bring immediate relief to the health sector. So, while this longer term transformational initiative was under development, we recognized the need to address the critical health care delivery issues that affected the population. These are the same mundane issues that the Senator spoke about. These issues contribute to some level of dissatisfaction among the general public, and that was the reason for our immediate interim intervention now termed our 100-day plan.

On December 12, 2007, senior officials from the Ministry of Health and the Regional Health Authorities met and discussed these pressing issues. We have both committed to a 100-day interim intervention. At this meeting, it was agreed that urgent attention should be given to improving bed management at our institutions; making primary health care facilities more available; educating the population about appropriate health facility choices; improving the physical environment in which health care is delivered; improving our customer service and making existing services more customer friendly; improving our human resource management and introducing systems to benchmark performance and monitor progress.

I am happy and very gratified to announce that the Ministry of Health met with all the stakeholders only yesterday at Crowne Plaza, and all our potential partners, stakeholders—all the people involved in this transformational machine

*Finance (2007) Bill*  
[SEN. THE HON. J. NARACE]

*Tuesday, January 22, 2008*

met—and plans were presented, but not only that, we had benchmark arrangements in place. We were able to do a survey of nine institutions, and to bring to the table where the stresses and strains were; where the weaknesses were and which institution was doing something better than the other. We were able to share information.

One thing that really impressed me was a recommendation coming out of the Eastern Regional Health Authority, but I would tell you about that later. We were able to collaborate, and in a collaborative manner, we were able to come up with plans to bring immediate relief to the health sector.

Let me just make it clear that this plan is the short-term intervention. It is very different from the long term transformational plan. It says nothing about what happened in the last five years except that we found good people, good programmes and some good things. We did find, as I indicated, some systemic deficiencies and so on, and that is going to inform our actions. All the major reports and all the market information data we gave them to the media. We set timelines and targets and, therefore, we propose to bring action very quickly.

We understand that this Government was given a vote of confidence; the largest number of seats ever. [*Desk thumping*] We continue to deliver because we continue to care. [*Desk thumping*] We could do no less. It is indeed, my honour, as requested by Sen. Dr. Carson Charles, to share some of the actions we intend to bring.

**9.15 p.m.**

I will just give a summary of them: Our Accident and Emergency and the management of the inpatient beds, we will introduce little clinics at the hospitals and provide the required services for effective inter-regional transfer of patients. We will intensify their monitoring of waiting times and bed availability at facilities. We will improve the management of their patients at outpatient clinics so as to avoid rebound admissions. We would strengthen the availability of primary care facilities so that the population would have viable alternatives to A&E. We would decant long-stay patients from hospitals and have them housed at appropriate community-based facilities.

Mr. President, the caring here is showing. The Ministry of Health will set up and manage a bed bureau to direct the inter-regional transfer of patients, that is, from one RHA to another; so we have intra-regional and inter-regional. We will launch a national public awareness campaign to educate the population about appropriate health care facility choices. Many times, the A&E can become

overwhelmed which could result in bad publicity. Even the members of staff can become overwhelmed, but if we were able to introduce these filter clinics and reduce that, along with some other strategies we would immediately, with all of these strategies bring greater efficiency to the system.

The ministry will also provide technical support to the RHAs to identify and assess suitable residential homes for their long-stay patients. Mr. President, if I can be allowed, I would like to congratulate my colleague, the Minister of Local Government who in her very first week of office set about to look at reintegrating the socially displaced into natural communities and so on—[*Desk thumping*] an initiative that we are going to be able to benefit from.

Mr. President, under the physical environment of care and upgrade, each RHA will be developing and implementing standard operating procedures for cleaning and maintenance of their facilities, so that the physical environment from which their care is delivered is enhanced. Do you know one RHA came up with the idea of a “brighten your corner”. “A brighten your corner” initiative, and if you think about it, it is a fantastic initiative, because if all through the country the various members of staff decided to brighten their corner, then every corner could become bright.

**Hon. Senator:** That is right.

**Sen. The Hon. J. Narace:** Therefore, it is a case of people caring for people. People taking pride in the environment; people taking pride in the quality of health care, and you would be surprised how well this can work for all of us.

We have a number of facilities that would be renovated and enhanced in the Sangre Grande Hospital, ward five and six; we have some pediatric wards; we have some operating theatres and so forth. We have ward eight in the San Fernando General Hospital. I will not overly go on with all of these, but suffice it to say, there is a matter I would like to treat with, and that is—one of the initiatives is the training of radiotherapists, and I have heard the issue about that NRC in St. James. I am proud to announce that the Government has approved \$100 million for all of this training and so on. And so far 13 persons have been trained as radiotherapists at COSTAATT; one radiation oncologist is being trained currently in South Africa and another one would be sent for training this year. One neurooncologist is being trained in Canada currently; two doctors are to be trained in medical oncology in Jamaica during this year.

Cabinet recently approved training for 75 nurses in oncology in a joint programme between UWI and Mc Master University. The first cohort of 25 has begun the two-year training programme. We have given 30 individuals bursaries

*Finance (2007) Bill*  
[SEN. THE HON. J. NARACE]

*Tuesday, January 22, 2008*

and 23 scholarships, and this is for allied health services: audiology, sports medicine and so on. In addition to that, to address some of the critical shortages the Ministry proposes to recruit foreign professionals and nationals of Trinidad and Tobago who live abroad. We also intend to look and to ensure that all of the citizens of Trinidad and Tobago, who would have an interest in health care delivery to put special measures in place to encourage them so that they can pursue training, pursue higher education and they, too, can participate.

Mr. President, security facilities; we have completed a number of security plans; we have completed a number of—cameras have been installed, some lighting and so on, but we are under communication. We are now speaking to all of the RHAs; we have now put a process in place with all of the RHAs, and we have been meeting with representative unions; we have been meeting with all of the various representative groups and trying to work as closely as possible with them. A critical part will be the development of the staff, themselves. All IR matters that affect their work ethic, it is our intention at the Ministry of Health to ensure that we quickly treat with all of these matters.

I just wanted to correct a comment made by Sen. Seetahal SC, and just to inform that at the last financial year \$450 million was allocated for VSEP, of which \$322 million was actually expended. Of the remaining \$128 million, \$77 million was used to supplement the Ministry's budget for the procurement of much needed pharmaceuticals and to settle the arrears of salaries for public officers.

Mr. President, I could tell you about all the actions that we are taking in the Ministry of Health as a result of the Commission of Enquiry under Gladys Gaffoor. I think that it is late at this time, I will not go through all of these and I know that I will have a lot of questions to answer, so I will bring that information at a later date.

I consider it an honour, a pleasure and a privilege, first of all to serve with such a distinguished group of people and I really find the quality of people that we have in Trinidad, I think there is a lot of hope.

**Hon. Senator:** Yes.

**Sen. The Hon. J. Narace:** I certainly believe we have not seen our best days and I am confident that our future is sound and the health care of the people of Trinidad and Tobago is in very good hands. [*Interruption*]

I thank you, Mr. President.

**Mr. President:** Hon. Senators, allow me to congratulate the Minister of Health on his maiden contribution to this Chamber.

**Sen. Dr. Jennifer Kernahan:** Thank you, Mr. President, for the opportunity to contribute to this Bill before us today, the Finance (Supplementary Appropriation) (2007) Bill. What is the significance of this Finance Bill before us to the population that will be looking at this debate or would have read about this debate? What really do our people expect of a Finance Bill presented by the Minister?

I am very much aware that this population understands that this Government enjoys an income revenue from oil and gas, unprecedented in the history of this country and that patterns of Government spending in allocating or reallocating resources, such as we are debating today, must be effected in such a manner to satisfy the population's legitimate expectations. And there are a number of expectations and I will just touch on a few.

One of the major expectations as has been touched on by my colleagues here, is the question of security: personal security, right to life and liberty as guaranteed by the Constitution, and this was touched on by Sen. Seetahal SC, with respect to the allocations in the Ministry of National Security. Another important expectation that the population will have of the Minister of Finance, is that we would have an improved quality of life with respect to the social services: health, education, transport and so on; attention to the disabled among us, the poor among us, the pensioners, people on fixed incomes and the socially displaced.

Mr. President, I listened to a previous speaker, Sen. Lezama, when she extolled the Government's contribution to education and so on. It brought to mind a story from the *Bible* where Jesus and some of his disciples were outside the temple and they were looking at people going into the temple and making their tithes, contributions to the temple. There was this rich man who came and made a contribution of a number of gold coins and the disciples noted that. Then there was this poor widow who came and made a contribution of one copper coin to the temple, and Jesus drew the attention of his disciples, and he said I appreciate the offering of that widow who gave that one copper coin, because, probably it represents more that she can afford. I appreciate that more than the rich man who gave all his gold coins.

So, I want to draw this analogy with respect to our Government, that we introduced Dollar for Dollar and we opened up education when access to tertiary education in this country was only 8 per cent. We opened access to tertiary

*Finance (2007) Bill*  
[SEN. DR. KERNAHAN]

*Tuesday, January 22, 2008*

education in this country when oil prices were only \$8 and \$9 a barrel. [*Desk thumping*] That is the point that we have to make. You do not boast about all of these things that you can do when oil prices are over \$100 a barrel. You can do these things. But we did it, Mr. President, because we “banded” our bellies and we were committed to the children of this country, and we did it in spite of oil prices being only \$9 and \$10 a barrel.

Mr. President, our people, looking at this debate—because the issue of finance is very integral to the well-being of our people. This is not something apart from the well-being of our people. When this Government, as I would quote the Central Bank, is imprudent about managing this economy, it is the people who are going to pay in the long run. There are people who will pack their bags, leave this country and fly off on Caribbean Airlines, and leave us to pay the price. It is the ordinary people who are going to pay the price, so people have to be very wary and aware of what this Government is doing with our economy.

Our people are demanding—with the levels of income that this Government enjoys—that our farmers and producers have access to land and resources to produce food in this country, both for local consumption and foreign export, and that our people can have access to nutritious food at reasonable prices. This pattern of allocation or reallocation must indicate to us also that this Government is serious about production and productivity in the non-oil sector, particularly, with the tremendous non-oil deficit that we are experiencing, and Sen. Mark spoke to that. The Central Bank has said over and over again, that we must attack the issue of the non-oil deficit, particularly in the area of agriculture. Apparently, this Government is oblivious to these issues.

Mr. President, of all the issues I outlined just now, if you were to ask a disinterested observer, in which area has the Government excelled or has the Government produced; they would have to tick “none of the above”. They have done nothing in any of the areas that I have mentioned to prove to this country that they are serious about sustainable development. Anyone could talk about development, but what kind of development. Is it sustainable? Does it give to the people now and in the future their legitimate expectations of a Government in this country? And my colleague spoke to that. There are some basic things that you must accomplish if you are going to be a credible Government. This Government has failed to accomplish basic deliveries to the people of this country. So in spite of changing the skyline and boasting about this, that and the other, basic things you are not delivering, in spite of extremely high levels of income.



When we make certain remarks—and the Minister came here and spoke about the prudence of the Government in managing the financial affairs of this country—we are always seen as biased against the Government, we have problems and we have issues. Let me quote an institution which is not against the Government, that does not have issues and that is not frustrated, and we are saying the same thing. Central Bank documents, reviews and so on, over the last five years, repeatedly, have indicated that Government's expenditures are increasing at an extremely rapid rate and they have increased.

**9.30 p.m.**

In one document it says that:

“25 per cent of GDP in 2002 was central government expenditure and that increased to 28 per cent of GDP in 2005, and it is projected to go to over 30 per cent in 2006.”

The Central Bank noted that in addition:

“several quasi government agencies were also expending sizeable sums on infrastructural projects financed by market borrowings.”

And this is the analysis they made.

“The sudden sizeable increase in Government expenditure has raised questions about capacity constraints and long-term sustainability.”

This is what everybody is saying. This is what all the economists are saying. This is what Central Bank is saying. They are not frustrated, they do not have any problems or issues with the Government, politically that is, but financially they do.

Mr. President, in other words, the prudence of this Government is being questioned by the Central Bank and they have said this because they mentioned the fact that you have volatility of oil prices and gas resources and so on, and that they are exhaustible assets. They mentioned this in the context of the fact that Government expenditure is always difficult to reduce in the short run, and therefore, the non-energy fiscal balance has become an important analytical tool for oil exporting countries.

This non-oil deficit is not just a figure that they can brush off and say that is not important. They are saying you have to look at that figure because it is an analytical tool to understand what is happening in your economy. The non-energy balance is used as an indicator of the underlying strength of your fiscal regime. So when you have, as we are experiencing now, the non-energy deficit being projected to increase by leaps and bounds—it came from 7.7 per cent of GDP in fiscal 2004 and it was projected to double by fiscal 2005/2006.

Mr. President, the bank explained that this widening of the non-energy deficit, exposes not just the Government, the people of this country to risks of any sudden decline in oil prices. This is a serious issue and it is not just a question for the economists, because any sudden decline in Government's income and revenue is going to mean that given the level of Government expenditure, thousands of people are going to immediately lose their jobs: CEPEP, URP, HYPE, MuST and all these government financed projects. People are going to be unable to feed their families. People are going to be most vulnerable in our society; unable to access social services; pensions are going to be in jeopardy; and it is going to have a tremendous impact on every facet in every area of the economy on our people.

So, therefore, this is not a problem for the big boys and big shots; every single individual in Trinidad and Tobago is going to be affected by this. What is happening is that this Government, this administration is walking a tightrope as the Central Bank pointed out, but it is our people who are going to take the fall when the time comes and they are no longer able to sustain the levels of expenditure that they are so recklessly embarked upon.

Mr. President, the budget statement of 2008 was very optimistic in spite of evidence to the contrary, and in spite of observations made in the Review of the Economy 2007. With respect to agriculture, I want to focus my contribution on these allocations and what they say in relation to Government's policy and plans for agriculture. On page 16 of the budget statement the Minister of Finance said and I quote:

"In addition, rising purchasing power; climatic changes; and the increased global demand for ethanol and biofuels in response to higher oil prices are reducing the amount of arable land for food cultivation.

The current world situation has given new urgency to the Government's push to expand agricultural production to help reduce food prices and begin the move to agricultural self-sufficiency."

It went on to say that agriculture has been earmarked for intensive focus in 2008.

What we would like to know and what I would like to examine this afternoon is how does that urgency and that focus translate into what we were able to see in these allocations in this Finance (Supplementary Appropriation) Bill before us. How does all that "ol' talk" translate into what the Government is actually doing with respect to agriculture? One of the sub-heads that we looked at here in terms

of current transfers and subsidies is the Sugar Cane Research Extension and Support Services Division and over \$20 million was transferred from this agency. A very interesting reason was given for this transfer. It says:

"The Sugar Cane Research Extension and Support Services Division no longer had responsibility for cleaning of drains, canals, clearing of tracks, froghopper control and purchase of fertilizer since lands previously planted by contractors were earmarked for other purposes."

Mr. President, there are two things that I would like to look at: "these lands will no longer be used by contractors" and "other purposes". We come to examine what are these other purposes they are talking about in the context of this urgency and this thrust to develop agriculture.

The story of the pain and the loss of the livelihood and the penury imposed on over 7,000 cane farmers were encapsulated in that one sentence. In just one line, they just demolished 7,000 cane farmers including the so-called contractors that they spoke about. When the Government rushed in their haste to close down Caroni (1975) Limited in 2002, over 7,000 cane farmers were dependent on this industry because some of them were contractors, they would produce cane on Caroni lands and sell to Caroni (1975) Limited, and some of them were private farmers who would produce canes and sell to Caroni (1975) Limited.

All these cane farmers were at first left in a position of uncertainty. Nobody was telling them anything and then they said, "You know what, you all have a little place to continue to produce a residual amount of cane in Trinidad and Tobago, so do not worry, you would continue." That was the divide and rule strategy so that the cane farmers would not join in any protest against the shutting down of the industry. So when 30,000 sugar workers were sent home, the cane farmers still thought that they had a chance to continue.

Mr. President, what had happened is that because Caroni lands were just abruptly abandoned, no drainage of these lands was taking place; the froghopper infestation and so on was left unchecked because no production was taking place. This affected adjacent lands of the contractors and private farmers who were in deep trouble because of being affected by the fact that Caroni lands were totally abandoned. Therefore, they were discouraged and probably some of them did not know what was going to take place. Some of them did not continue to produce and some of them lacked the finance and so on. What finally happened last year, Government came and said, "A lot of you will not benefit"—you are talking about a soft landing for these contractors and cane farmers—"because you have stopped

*Finance (2007) Bill*  
[SEN. DR. KERNAHAN]

*Tuesday, January 22, 2008*

producing cane." Why did they stop producing cane? Because the Government left them in a state of uncertainty about their future. So it was a catch 22 situation and hundreds of farmers were denied compensation based on an arbitrary time limit set on whether they had stopped producing cane in 2003 or 2004. They got rid of half of them; paid them nothing; and thousands of those farmers are now left saddled with high debts: for machinery; for fertilizers; for inputs and so on; they have nothing to get.

This is what we are talking about here when they saved all this \$20 million because they got rid of all these people, not having to pay them compensations and so on. That is blood money. That \$20 million they are talking about that they saved, that transfer is blood money. What are the other purposes referred to in this one line? This one line is pregnant with so much meaning—"other purposes".

Mr. President, the Cabinet of this country, apparently, had given NEC the permission to take 1,400 hectares of Caroni lands for industrial purposes. I am making this point in the context of the budget statement that there was this urgency to develop agriculture in 2008, and the fact that the Central Bank has warned that the development, a boost of the agricultural sector is extremely important, if you are going to narrow that non-oil energy deficit. So what have they done?

Caroni (1975) Limited workers are still waiting for lands. And I will come to that a little later. Since 2005—we are in 2008 now—we have had plans being made for NEC to grant lands to Essar; 201 hectares of lands to be granted to Essar Steel; foreign entity on Caroni lands, to put down a steel mill.

**Sen. Dr. Saith:** [*Inaudible*]

**Sen. Dr. J. Kernahan:** Those are Caroni's lands. I am saying that you are not hurry to give the former sugar workers land or the former cane farmers land, but you are hurry to give Essar Steel and NEC thousands of hectares of land for industrial development. I am saying it in the context of your priorities that you elaborated on. Where are your priorities? So since 2005, there was this letter from the National Energy Corporation to Dr. Dave McIntosh of the Environmental Management Authority and it says:

"NEC has entered into a Memorandum of Understanding with Sugar Manufacturing Company Limited, as a result of a Cabinet decision granting NEC lands for the caption industrial site for use of developing heavy gas based industries. NEC is presently undertaking cadastral surveys of the parcel, 193 hectares and 10 hectares for entering into a lease agreement with Essar."

It goes on to say:

"In anticipation of the said lease, NEC has granted Essar possession of site, subject to Essar complying with all approvals from the EMA, statutory and other government agencies."

So since 2005, they are hurry to give Essar land, even without the lease. They have not been able to formulate a lease yet, but you know what, they told Essar go on the land; start to work because it is so important. This is our priority. Then three months later we have a letter addressed to the Commissioner of State Lands, Ministry of Agriculture, Land and Marine Resources informing the Commissioner of State Lands that a Memorandum of Understanding was entered too on March 23, 2006—very soon after—between Caroni (1975) Limited and NEC with respect to the leasing of 1,400 hectares of lands.

**9.45 p.m.**

Mr. President, this is what the document says. Your priorities clearly are not food production, food security and lowering food prices in this country. Your priorities are to ensure that foreign entities come in, take hundreds of acres of arable agricultural lands which were promised to Caroni workers, and set up their dirty gas-based industries which are threatening thousands of persons in the Claxton Bay area.

This Government clearly has a credibility problem; nobody believes anything they say anymore. They waste all the trees; they cut down so many trees to print these documents and they are not worth the paper they are written on, because what they say has nothing to do with what they actually do.

What is so frightening about this is that in the budget speech, the Prime Minister, the Minister of Finance, spoke about the reasons for all the imported inflation in the international arena. One of the reasons was the withdrawal of arable land from food production for biofuels, ethanol and so on. You are seeing what is happening out there; you are seeing food prices going up internationally because of the withdrawal of arable agricultural land from food production, and to compound that problem, you are doing the same thing here in a small land poor country. What sense does that make?

We should be looking very aggressively to conserve our arable agricultural lands, to increase our food production, to ensure that we have some sort of food security against what is happening in the outside world. But no, this Government believes that people here are going to be able to buy food at any price, no matter

how high the food prices get in the outside world. Right now a lot of people have dropped milk and cheese from their diet, because it is no longer affordable. When you work for a salary that involves \$300 and \$400 a fortnight in CEPEP or URP, how can you buy a parcel of milk that will last maybe about a week, costing \$80? It is not possible. So people have dropped that from their diets, and they have young children coming up now who are unable to drink milk.

When we look at what is happening in the dairy industry, the cold, calculated actions of this Government which have thrown the dairy and beef industry into a tailspin, we see how callous these people are.

I was making the point about Government priorities; this Essar plant is going to cost us dearly. It is going to cost us the last of our mangrove and coastline. We are going to build a port there to facilitate this plant. It is going to increase erosion on that peninsula, which is very delicate right now. It is going to cost the people of this country dearly, but they do not care, as long as they get to please their foreign masters.

I want to go into the Agricultural Incentive Programme, which is another transfer that was indicated here; \$4,673 million was transferred out of this programme. There was another interesting reason advanced for this. Mr. President, you would know that agricultural incentive is extremely important to agricultural production; people need the incentives, but if you do not have the basics you cannot use incentives. This is what is happening here.

It says here:

"Under the Agricultural Incentive Programme, the level of claims submitted by farmers was less than projected. Payment to farmers under various agricultural programmes is made from this vote. The sum of \$4,673 million was transferred."

This really represents a squeezing of the lifeblood from the local farming sector. When you looked at this, a red flag should have gone up in the Ministry of Agriculture, Land and Marine Affairs. Specifically, the Minister should have sighted that red flag. These are some of the issues he should have dealt with and told us about this afternoon. Why are farmers not claiming agricultural incentives?

The Minister would not tell us, but I will tell you why farmers are not claiming agricultural incentives. Because farmers all over this country from Wallerfield to Maloney, Bon Air, Carlsen Field, rice farmers are literally under

the gun due to increased costs of inputs. Their leases are not being renewed in many cases; the Government is increasing the cost of leasing agricultural lands. They have tremendous losses from praedial larceny, flooding and government agencies renegeing on contracts made with farmers, especially rice farmers. I will come to that in a little while.

This is the issue that the Minister should have addressed this afternoon, not come here with some back in times policy about, "What did you do when you were there." This Government was just elected. They came to the people and said, "We are going to make your life happy; we are going to increase your standard of living; we are going to give you all that you desire; we are going to make Trinidad and Tobago a paradise." Why are you worrying about what happened back in 1995 or 1998 or whenever? Come and tell us what you are doing and how you intend to address the problems that the people have elected you to address. They said nothing about that.

The agricultural sector is in crisis. I propose to examine the status of these sub-sectors, so that we could understand why the farmers are not in a position to access the incentives.

Mr. President, the first sub-sector we are looking at is B. I am quoting liberally from an article in the *Express* of Wednesday, March 21, 2007:

"Farmers have a lot to beef about"—by Ariti Jankie. [*Interruption*] "He frustrated too?" [*Laughter*]

Mr. President, it says:

"Cattle farmers are on the run."—from the land that is—"They note that over the past two years more than half the cattle farms in this country have been abandoned. According to the Central Statistical Office agricultural census of 2004, there were 634 cattle farms on government lands. Currently there are 310 registered with the Cattle Farmers Association and this has left a big dent in local beef production and rocketing beef imports."

It says here that while the local cattle farmers were producing 606,000 kilograms of beef, we were actually importing in 2005, 4,042 million kilograms. Clearly there is a market for beef and there is space for local production, because of the consumption, but the cattle farmers are under pressure.

They are being pushed out of business by a number of factors. The Cattle Farmers Association President, Kris Medford, quoted these factors; prices for feed, failure to secure increased price for milk and lack of infrastructure

development on farms. The result of that neglect and the failure of the administration to deal with the issues of the cattle farmers: we see that we are importing a lot of beef from Australia, Canada and the United States.

What has actually happened is that our income from oil and gas, instead of staying here to develop our local sub-sector, the beef industry, is going abroad to develop the sub-sectors of developed countries: New Zealand, Australia, Canada and the United States, because this Government has no vision and no passion for food sovereignty and food security in this country.

My colleague noted that the Minister of Agriculture, Land and Marine Resources has a lot of passion. We will see if he can translate that passion into action; he should be able to, but I will not hold my breath.

One of the other problems that the farmers have had is that:

"Many note that last year the lease on most of the farms expired and it was increased from \$300 to \$500 a year to \$8,000 to \$12,000 a year for 15 to 20-acre parcels plus VAT. Most of the farmers have not renewed their leases."

This is the status of the sub-sector here. They are actually forcing farmers off the land; it is a plan, and I know why.

It is linked to that 100-acre conspiracy that they talked about in the budget. Run the small farmers off the land, expropriate the land, so they would have all these arable lands for agriculture to give to their big shot friends when they come down here. They have said that these 100-acre leases are being sent for regional and international tender, so clearly the plot thickens. This is not about developing our sector for our people; this is about foreigners coming in and grabbing hundreds and hundreds of acres of our land to produce food for the export market. That is why this Government has embarked on a policy of, practically, expropriating farmers from their land. [*Interruption*]

**Sen. Dr. Saith:** Name one!

**Sen. Dr. J. Kernahan:** The farmers spoke to you, Sen. Dr. Saith, and I wanted to find out if you intimated to the hon. Minister of Agriculture, Land and Marine Resources all the issues that the farmers spoke about and whether you had promised to provide some of the measures of relief that they have asked for. [*Crosstalk*]

The Minister asked us what we were doing when we were there. Hear what this article says:

"Struggling to survive today

Farmers operated thriving businesses up to 1998 when they supplied 13 million kilograms of milk." [*Interruption*]



**Mr. President:** Senator, if you are reading an article, will you tell us what it is and where it comes from.

**Sen. Dr. J. Kernahan:** It is the same article by Ariti Jankie.

So, Mr. President, long story short with respect to this sub-sector: last year the lease on most of the farms expired and were increased to \$8,000 to \$12,000 a year, and most of the farmers have not renewed their leases. Clearly it is unprofitable to them; they are being expropriated and run off the land and social displacement is imminent for the industry.

**Sen. Dr. Saith:** Name one!

**10.00 p.m.**

**Sen. Dr. J. Kernahan:** So, Mr. President, to cut a long story short with respect to this sub-sector, last year the lease on most of the farms expired and, as I said, it was increased from \$8,000 to \$12,000 per year and most of the farmers have not renewed their leases. Clearly, it is unprofitable to them, they are being expropriated and run off the land and social displacement is imminent for the industry. Some of the problems that they intimated with Minister Saith—and I am reading from an article which says:

“Dairy farmers fear bankruptcy appeals to Government to save them”

[*Interruption*] I do not know why Minister Saith keeps asking me to name them because he met with all these farmers and he would have taken their names, he knows everything about this. It says in the article that the contingent met with Saith at his office at NALIS Port of Spain for about 30 minutes and listened to their basic requests from the State which were:

1. 100 acres of land to ...grass for cattle to supplement feed and reduce cost;
2. to be allowed to convert the lay-by on the Solomon Hochoy Highway as retail goods area with concrete stalls abandoned for many years into a farmers' market for the farmers of Carlsen Field; and
3. access to five acres of land in Carlsen Field for a commercial processing facility for pasteurizing milk, yogurt and other by-products.

I do not know if these farmers have gotten any response from this Government, I doubt it and, therefore, they are still in no man's land. In fact, they are on no land at all because they are not able to continue under the policies of this Government.

Mr. President, under this Appropriation Bill before us, we also have a sub-head where we have a transfer of \$1 million to manage citrus groves, dairy operations, livestock and rice projects of Caroni (1975) Limited; and you know

that was sort of strange because I read in one of these articles that Caroni (1975) Limited has less than 60 employees at present and many of the citrus groves of Caroni (1975) Limited were given to citrus farmers. The dairy operations are in shambles, the livestock was scattered. So I would like to ask the Minister, really, what is the status of these projects because if you are paying \$1 million to manage these operations, I want to know the status of the projects, the production levels, the impact on the market, the quantity of herds. We are talking about the state of health, are there breeding operations going on? Are we paying personnel \$1 million to manage viable operations? Is there a business plan for these operations?

It says that the responsibility of the Sugar Manufacturing Company has been transferred to the Ministry of Trade and Industry. I would like to know in this context—they give all these cryptic bits of information but I would really like to know if the Sugar Manufacturing Company is defunct and there is no sugar industry team and everything is transferred to the Ministry of Trade and Industry, who are really managing these projects? Who is responsible for these important resources and for the million dollars we are spending? What is the situation and what is the role of the Ministry of Agriculture, Land and Marine Resources in this? I would like to know because a million dollars is a lot of money. I do not know if this Government feels that \$1 million is like a dollar so it could just throw these things out and do not have to account for what is happening, but this is a lot of money. You are alleging that there are citrus groves, dairy operations, livestock and rice projects and we would like to know the status of these things; who is in charge, what is happening?

Mr. President, we just dealt with the dairy and beef and so forth, and we are talking about citrus and rice and so forth, I would like to look at, based on the allocations, what is the status of the citrus industry today in Trinidad and Tobago and link that back to the closure of Caroni (1975) Limited because it is very intimately linked. Link it back to the Government's professed interest in agriculture and to the fact that the closure of Caroni had a profound impact on the production of citrus in this country and the availability of oranges at reasonable prices and, therefore, the availability of juices to the population at reasonable prices.

Mr. President, you know some of these issues came out, interestingly enough, at the National Consultation on Food Prices when officials of one company, a fruit drink manufacturer, said that they were being forced out of business because they could not get oranges. In this day and age when we are looking at a crisis in

the production of food internationally, we have acres of citrus groves here that were coming along under the purview of Caroni (1975) Limited and then you had this reckless Government that abruptly closes down the industry and you have manufacturers not being able to acquire these products and being forced out of business. They said over the past five years—which incidentally coincides with this Government's period in office—manufacturers of citrus fruit drinks have imported concentrate from a number of countries because of the shortfall.

**Mr. 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. [*Dr. A. Nanan*]

*Question put and agreed to.*

**Sen. Dr. J. Kernahan:** Thank you, Mr. President.

**Hon. Senator:** You do not have to use the whole 15 minutes.

**Sen. Dr. J. Kernahan:** You do not have to use your whole term either, you know. [*Laughter*] In the *Daily Express* August 29, 2007, it says:

“Citrus production hit a major slump after Caroni (1975) Limited pulled out of agriculture in 2002.”

But Caroni was not pulled out, it was pushed out. The pull out of the company was responsible for a production drop of more than 50 per cent in the supply sent to the Co-operative Citrus Growers Association, the quantity fell from half a million crates five years ago to just 30,000 this year. This is the Government's agency to revitalize and promote the agricultural sector. Under their watch the supply of citrus fell from one million crates to 30,000 crates.

Mr. President, and we have the same problem, because of this, our oil resources are going out to promote agricultural enterprises in other countries. So what is happening is that the company started to import concentrate from Belize, Brazil and other countries and some of the problems are related to a total blatant neglect of the farmers to help them to produce citrus here. They say no plants were available to farmers who were given parcels of Caroni estate and predict that the shortage of oranges will continue for the next 4—5 years. Farmers had complained that annual fires had destroyed a large percentage of trees and much of the crop is being lost to praedial larceny.

Mr. President, instead of the Minister of Agriculture, Land and Marine Resources coming here to ask what we did, he should be dealing with these issues. He made a big flash, gave out all these farms to the farmers and they cannot get plants and have no relief from the scourge of praedial larceny—although the budget says that the Government is going to set up some special arrangement outside of the police service to deal with that, and that is still puzzling me and I want the Minister to say what is meant by that, you know. That they are going to set up this arrangement outside the police service to deal with praedial larceny and so forth—an interesting point which I would like him to tell us about.

The point is, they have done nothing to protect the farmers against praedial larceny, you are not giving them trees and plants and so forth and some of them are not even getting leases. A law student and state land officer of Chase Village Chaguanas, Seepersad, said that farmers had not received their lease document for their parcels of land and were unable to access loans from the Agricultural Development Bank.

Mr. President, this Government has a serious credibility problem, always promising people, mamaguying them and not giving them and when people carry them to the court they appeal and we will come to that if I have time. So that is the story of citrus.

Our farmers are not given the support by the Ministry of Agriculture, Lands and Marine Resources to deal with this situation and, therefore, our manufacturers are being forced out of business, they have to go overseas to produce concentrate and our money is haemorrhaging out of this country while the Government spouts all this rhetoric about supporting agriculture production in this country. It has no credibility.

Mr. President, rice is another disaster area and the Minister of Agriculture, Lands and Marine Resources should have taken the opportunity to take the bull by the horn and deal with that problem; let farmers know what is happening. Let us know how you intend to make your mark in the sector and turn the thing around instead of coming here to be on the UNC case. [*Laughter*]

Mr. President, rice is a major part of our diet and we import \$20 million worth of rice every year. We have here in Trinidad and Tobago 300 registered local rice farmers who have invested millions of dollars in equipment to produce this staple and who have not been spared the steamroller treatment that this Government has meted out to other sectors.

Mr. President, do you know what the rice farmers in this country had to undergo just a year ago and I am quoting from the *Trinidad Guardian*, January 15, 2006. "Rice Farmers want to sue NFM" and this is by Salisha Hassanali.

**Hon. Senator:** Two years ago?

**Sen. Dr. J. Kernahan:** So you think that all the farmers who lost thousands of pounds of rice, whose rice was left rotting outside the factory because they came to the factory one day and met the gates closed and they were informed abruptly that they would no longer be processing their rice, do you think two years ago would make any difference to the economic status of those farmers? Do you think they would not be in debt because it has been two years ago?

Why are you people so heartless, Mr. President? We are talking about farmers who faced an unexpected shut down of the mill's operation at Carlsen Field on December 31, 2005 which left them facing an uncertain future with 10,000,000 pounds of ripe and overripe paddy as well as a quarter million dollars worth of heavy equipment on their hands.

Mr. President, these are rice farmers, they are not community leaders, you know, they are not getting any multi-million dollar contracts, they do not carry guns, so two years down the road they will still be in debt and more in debt. That is what the Minister does not understand and these farmers were promised so much and so little was delivered, which is the *modus operandi* of this administration.

**10.15 p.m.**

They had a meeting with the then Minister of Agriculture, Land and Marine Resources, Jarrette Narine, and they were given the assurance that the mill would be kept operational since the farmers had undertaken heavy investment to generate high production yields and a top quality grade of rice. It says here:

"In addition, the Caroni (1975) Limited Chairman, Gerry Hospedales, leased to CRATT and NFL some 2,000 acres of lands at Caroni irrigated rice project for one year at a cost of \$200 per acre from November 2004."

Then Government also agreed via Cabinet note to lease the farmers an additional 2,000 acres of land at Caroni this year for a period of seven years.

So, you know, the farmers were going along with the plans. They felt that the Government was serious and they wanted to help them increase production; they went making big heavy investments; they went to the ADB; they took out money

and do you know what? One morning they just arrived at the mill and the gate was closed. The guard told them they could not go in and hundreds of thousands of pounds of rice were left to rot. This is beyond cold; this is beyond callous.

**Sen. Dr. Saith:** The reason I was asking you the date of the article is because I know immediately that incident occurred, the Government did, in fact, provide resources so that the mill could be restarted and the rice would be taken in. I just did not want the impression to be left that nothing was done, and I am sure if you went and spoke to the farmers now, you would know that that was a point in time that was quickly corrected. That is all.

**Sen. Dr. J. Kernahan:** Mr. President, if I were the Minister I would have just sat quietly, because we are talking about the most callous, brutal and insensitive treatment meted out to farmers in this country, producing a staple where we import four million tonnes every year and this Minister gets up to say: “Well, you know, that was just a little glitch and we sorted that out after.” People lost millions of pounds of rice and they would still be in debt today. This is my point. I am making these points in the context of the Government’s purported thrust in agriculture and the fact that the Government has totally lost credibility.

So when the Government is coming now to talk about contract farming and they are going to set up farmers with contracts to supply certain designated food crops, and so on, to ensure that these big farms would not drown the production of smaller farmers, nobody is going to believe them, because one day they are going to tell you: “Yes, we are going to take your goods on contract and we have no problem”, and one day you are going to arrive at the designated place with truckloads of your produce that you have spent hundreds of thousands of dollars to produce, and the gate is going to be locked and the guard is going to tell you, you cannot come in. Then the Minister, two years down the road is going to say: “We sorted out that after; no problem”, after you lost all your money; all your investments, and so on; all the strife and trauma that you would have undergone in the meantime; the debt that you would be left with. Did you give these people compensation for all the rice that they lost; all these moneys that they lost? Obviously you did not. But you know, in his mind it is sorted out.

The only sphere of activity in which we see any urgency and we see the Government moving with any degree of swiftness is when they want to put down smelter plants in this country to poison the air quality and to promote erosion of our coastline and force dislocation of our citizens. We do not know the price of the gas that is being supplied to these people. They are moving very swiftly with

those things. Whenever you have talk about steel mills, and so on, that will decimate whole communities in Claxton Bay, they are moving very swiftly, but when you talk about distributing lands to Caroni (1975) Limited ex-workers who are waiting five years now with their VSEP dwindling; they have very little resources, do you know what they are doing?—they are appealing decisions by the Judiciary.

In the *Guardian* of Sunday, December 09, 2007, this is what Justice Lennox Deyalsingh said:

“Government’s lack of the sense of urgency with this matter is, in my view, tantamount to an abuse of power.”

**Mr. President:** You have two minutes more.

**Sen. Dr. J. Kernahan:** This is not frustrated us; this is a judge saying that you are guilty of abuse of power. The fact that not one single plot of land has been distributed in the four years is scandalous and he properly denounced it as foot-dragging, and he says that the Government’s patience with its own inefficiency amounts to an arrogant presumption that the public should simply be prepared to wait and wait.

I would like the Minister of Health to note this article in the *Guardian*. It says here:

“In all its spheres (health, education, transport notably) public administration sets lower and lower standards for service and performance.”

So they have a credibility problem; they have a performance problem and they have a problem with priorities. These are the problems that the Government has and they do not listen to anybody. They are headstrong; they know exactly where they are going, but as I said before, when they walk the tightrope, we will take the fall and we are prepared to denounce that in no uncertain terms.

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

**Sen. Corinne Baptiste-Mc Knight:** Mr. President, as this is the first opportunity that I have had, permit me to congratulate you on your election to the presidency of this House. Given your vast knowledge of the procedures of this place and your demonstrated commitment to maintaining the highest standards here, I feel immensely privileged to have the opportunity to learn from you and other hon. Members of this House and in the process, perhaps, contribute in some small measure to the business of the people of Trinidad and Tobago.

*Finance (2007) Bill*  
[SEN. BAPTISTE-MC KNIGHT]

*Tuesday, January 22, 2008*

At this hour, I would not want to abuse the patience of this honourable House, but I think it is important that I place on record a few comments. I would like to state that the positions that I will be enunciating tonight are in the context of my having spent an entire career of almost 40 years as a public servant. It is not that I am really that old; it is that I started as child labour when the age of majority was still 21. [*Laughter*]

Having paid close attention, not only to the documentation that has been provided, but to the debate that has proceeded—some of it more relevant than others—I am struck by the fact that many of the explanations proffered for savings are very instructive, but they seem to highlight some persistent systemic problems in the system, particularly in that arm of Government that is responsible for the implementation of Government policy. I am struck by the assurances of the Minister of Finance that these transfers reflect changed circumstances and reordering of priorities and I wonder, again, in the light of the debate, what was the change in priority that led to the transfer of \$427.4 million for the acquisition of patrol boats. Now, elsewhere in the explanations, we are made aware of the inordinately long period of time that procurement takes. We have heard in the debate, particularly the statement of my colleague, Sen. Ali and the response by the hon. Minister, that, in fact, this particular project too, had been subjected to the procurement procedures, hence the nagging question: Why was no provision made for this in the budget? Clearly, somebody knew that money would probably have to be paid at some point.

**Sen. Browne:** Just to clarify it once again; it was not that there was no provision for this in the budget. I did indicate earlier that this is just a funding issue; it is a question of the funds. It was financed by way of a loan and it is being passed through as a financing issue. It is simply reflecting that. It is not really reflecting a change in circumstances. That is the point I made earlier on. And the proceeds of the loan were used to make payments to the shipyard for the construction—very simply that. Thank you.

**Sen. C. Baptiste-Mc Knight:** I thank the hon. Minister even though I must admit it is as clear as mud to me. I wonder, had the fire service and prison service been more proactive and completed their negotiations on time, what would have been the effect of this payment which had to be made on the budget? Would we still have a surplus? Because I seem to recall that we are talking about a transfer from those two particular items of about \$300 million. But it did not happen, therefore the question is hypothetical. But just bear that in mind.



Throughout the explanations, I note certain phrases that keep recurring: “There were administrative delays; administrative arrangements were not in place; recruitment was not completed; lack of staff.”

**Sen. Rahman:** Right.

**Sen. C. Baptiste-Mc Knight:** Thank you, Sir. [*Laughter*]—shortage of personnel; lack of capacity. Now, to me, this speaks of ineffective management and I feel constrained to ask: Is this the result of a public service reform exercise that has been ongoing for almost two decades? Something is wrong and something is wrong at the point that could easily scuttle all of the best-laid plans.

Mr. President, I am a believer in vision 2020—That is why I wear glasses, to try to achieve a personal vision 20/20—but there are little things that do not seem to be happening.

**10.30 p.m.**

It seems as though within the management structure, there is a lack of coordination. People do not seem to know what the left hand is doing or what the right hand is doing. There seem to be areas where simple common-sense planning and procedures could be implemented which would make life easier and translate the caring of Vision 2020 to the whole society. This is not for the public at large. It must start with your in-house public service, if it is to be spread to the whole population.

Where in this documentation do I get these concerns? Let me mention just a few of the things that disturb me profoundly. We are told that the sum of \$20 million could not be spent, or rather, was not spent because police officers could not be released for resettlement training. Now, World Cup Cricket was not an unforeseen event. The fact that these police officers would have been required for duty at that point could not be unforeseen. Is it asking too much that the department involved in the allocation of duty and the department involved in the arrangement for training could have spoken to each other so that this training could be arranged at a more convenient time? This is not rocket science. This is people speaking to each other in order to arrive at the best possible outcomes for the service, the people and the families involved. I cannot accept that these funds are removed. I note that nowhere was it said that this training was deferred.

Let us move on. We note that funds are available because overtime payments and travelling allowances could not be paid on time. While I was a civil servant, I had reached the exalted ranks of enjoying travelling allowance. Unfortunately, I never had overtime payments because I was a little too high in the pay scale for

*Finance (2007) Bill*  
[SEN. BAPTISTE-MC KNIGHT]

*Tuesday, January 22, 2008*

that. In spite of the reform, it seems to me as though there is an attitude that still says, these payments that are outside of salary and in addition to basic salary are perks. No, Mr. President. Not so. This is something that has to trickle down from the top to ensure that this is an essential part of your emolument. If you work overtime you must be paid in a timely fashion for it.

If you have to travel for your job that is why you are given a travel allowance and you are given a loan to buy a vehicle to do this travelling. Now, what happens? At the end of the month when you are given your salary cheque your car loan is already deducted, but your travelling allowance, which consists of an upkeep allowance which is a standard allowance that must be paid to you and your mileage which is calculated on the basis of your official travel for the month are not available. Is it going to violate some strange law to pay an officer routinely, the upkeep allowance at the same time that salary is paid? It would alleviate part of the burden of being a travelling officer and compensate in some manner for the car loan that has been paid.

When I was a travelling officer I could write a cheque happily at the pump for my gas. You cannot do that now because people do not walk about with that kind of cash. It takes \$100 to fill your tank. So, you do the plastic thing. You pay with the card. The credit card people tell you that they lend you the money for 45 days without interest. Fifteen days after the end of the month, your credit card bill arrives with your gas charges on it. You did not get your travelling allowance as yet. If you cannot pay that bill you incur interest charges that run up to 28 to 30 per cent for the year. Is that fair? How does this affect an officer's morale, when he or she is forced to go into debt to perform his or her functions to the detriment of their family and obligations? Simple suggestion. Pay the upkeep allowance with salary and have the mileage processed and paid by the 15th of the month.

Another aspect of this that bothered me intensely, was where I saw that the sum of \$50 million was effected in savings because the Teaching Service Commission could not complete the task of recruiting 483 heads of department and there was another \$800,000 for 200-odd senior teachers. I wonder how many of us are aware that the post of head of department in secondary schools—I see a former minister of education watching me; I am sure that you will agree with this—was established in the 1970s, when senior comprehensive schools were established. If I remember rightly, it was established in range 49D or E. Between the 1970s and 2007, after the various permutations that all the actors in this have been going through, appointments it seems, are only now being made. Since then there were teachers who were totally frustrated by the inability to have any sort of

career mobility because not every teacher will become a principal or vice principal. Many more can go through the ranks of head of department. What is even more frustrating is that many of them performed the functions and retired with no recognition and remuneration.

I suggest that this is totally unacceptable. I hope that the relevant authority will give the Teaching Service Commission a firm deadline within this academic year for the completion of this particular project. Our education system requires it.

**Sen. Manning:** Thank you very much for giving way. Mr. President, I will like to announce that I was told that this weekend the Teaching Service Commission had completed the job of interviewing almost 2,000 positions. It took them a long time. It was overwhelming. They had to find venues and panels. As you said it was outstanding since the 1970s. For the first time in a long while they were able to put in place a proper system in the teaching service that spoke to career path.

I congratulate the Teaching Service Commission for doing what had not been done over the last 30 years.

**Sen. Enill:** Mr. President, I want to seek your guidance in understanding how one might deal with instructing an independent commission that operates at the discretion of the President. The Teaching Service Commission and all the commissions are charged with the responsibility for doing the kinds of things from which we are suffering. Independent commissions are appointed by the President. We all suffer from it. I am not sure how to do that because there is no mechanism by which you can even talk to them in some instances.

**Sen. C. Baptiste-Mc Knight:** Let me thank the hon. Minister for this very good news. I am very happy that I raised the matter otherwise we would not have been privy to this hot off the press.

With respect to the hon. Senator [*Interruption*] Minister, sorry. I am aware that you cannot instruct them but believe me, had Minister Manning not been able to stand and give us that good news, getting this kind of criticism from the Senate—

**Mr. President:** Excuse me. Senator, before we fall into any bad habit, the hon. Senator should be referred to as the Minister of Local Government.

**Sen. C. Baptiste-Mc Knight:** I thank you, Mr. President. I am a greenhorn, but I learn fast. The hon. Minister.

As I was saying, I feel that having been criticized in the Senate would spread fast. There are few people out there who have a little experience of me and they would know that I will come back and repeat it until the problem is resolved.

**10.45 p.m.**

**Sen. Prof. Deosaran:** Mr. President, I was prepared to cherish my silence up to now, but I would like to be helpful to the very important point raised by the Leader of Government Business. I think it is a vital point in public administration and the deficiencies caused by what the hon. Senator is pointing out.

It is not as hopeless as the Senator opposite indicated. I would wish him to revisit section 66A of the Constitution and he would see that that section gives Parliament, through the joint select committee system, the power to enquire and report on all service commissions and present a report to Parliament with recommendations, directly or indirectly giving Parliament the power to ask these commissions to do certain things. Such a report has been made on the Teaching Service Commission with the recommendation, as exactly fulfilled by the previous Minister of Education, to set time lines and to get these responsibilities fulfilled. If you reactivate these select committees properly and with equitable chairman and jurisdiction, you will get the results you are looking for. [*Desk thumping*]

**Sen. C. Baptiste-Mc Knight:** I thank the Senator for coming to my rescue. There are just two areas I would like to touch on briefly. One is the area of tourism where I note, again with a little consternation, that 36 posts of lifeguard were removed from three beaches in south: Quinam, Los Iros and Vessigny.

Now, Vessigny is a beach that, in my wanderings, I tend to pass by from time to time and there always seems to be people there. Now, I wonder what number of visitors is the minimum required for there to be a lifeguard service. Or is it that these 36 were additional lifeguards? It does not say that in the document. I think that the security of people on the beaches definitely requires that lifeguards be there once the beach is open.

The other area that amazed me was when I noted that Trinidad and Tobago is no longer a member of the UN World Tourism Organization. I spent over 30 years in the foreign service and much of that time I was involved in multilateral work so that I am painfully aware that as a country we tend to be net donors to international organizations in that we pay our subscriptions but do not seek to maximize the benefits that would accrue to us from membership.

Be that as it may, once we are members, we are entitled to partake of the largesse. I note that the reason given is that we are members of the Caribbean Tourism Organization (CTO). Now, Mr. President, that defies good sense, that membership in the CTO could bring us the equivalent benefit of membership in the world organization at a time when we are told that we are diversifying the economy and tourism is one of the areas that we are looking at as a potential revenue earner. I do not know if this is appropriate, but perhaps the hon. Minister of Tourism might wish to have another look at our relationship with that organization.

In conclusion, Mr. President, and on a much more serious note, I have to declare myself upfront as an unabashed fan of the Community-based Environmental Protection and Enhancement Programme (CEPEP). Why? Because I tend to knock about, ramble through this country and am aware of the difference that CEPEP has made to the panorama [*Desk thumping*]*—*I am happy that some of us share my views. Not only that, but driving at night on these country highways, when you can see the verges clear and therefore are able to keep on the roads, that alone is such a boon that I am hurt to see that the restructuring and the expansion of this programme has been delayed. I hope that the delay is only until this fiscal period, so that I can continue to enjoy my perambulations. I am being totally selfish.

I thank you, Mr. President.

**Mr. President:** Hon. Senators, allow me to congratulate Sen. Mc Knight on her maiden contribution, especially under circumstances where, during her maiden flight, she was interrupted not once or twice, but thrice. It is not normally the practice to disturb a Senator on her maiden flight. I would like to commend you. You did very well.

**The Minister of National Security (Sen. The Hon. Martin Joseph):** Thank you very much, Mr. President. I am pleased to participate in this debate on the Finance (Supplementary Appropriation) (2007) Bill. I am also mindful of the hour and I am going to take that into consideration in my contribution here tonight.

A number of hon. Senators raised a number of issues pertaining specifically to the Ministry of National Security. I propose to go right away into the comments made and, where possible, to provide some additional explanation.

Sen. Seetahal SC, in her contribution, also felt that it was necessary not just to give explanations, but to provide information to this honourable Senate as to what measures are put in place to address some of the issues. I say straight off that

*Finance (2007) Bill*  
[SEN. THE HON. M. JOSEPH]

*Tuesday, January 22, 2008*

there are some inconsistencies with respect to some of the explanations, but I will not go into any specifics and the fact that they were not as elaborate and as a result questions were asked to elaborate on the issues.

The last Senator raised the question of the inability to conclude the negotiation and if there would have been moneys available to be transferred to other Heads as a result of incomplete negotiations with respect to the fire and prison services. I can tell you that every effort is now being made to conclude negotiations during the period of time for which the negotiations exist. We have developed a practice where, in many instances, you are negotiating a three-year contract on the third year. That clearly is something that this Government has indicated is unacceptable. As a result, we have been putting measures in place to treat with that in a particular way but much of it, notwithstanding our best efforts—Mr. President and hon. Senators who are very familiar with union operations, because of their history will recognize that in many instances negotiations are very dynamic processes and, notwithstanding your best efforts, sometimes it is impossible to bring negotiations to a speedy conclusion. Fire is a case in point.

However, as I have indicated, we frown on the practice that says that you ought to be negotiating a three-year contract and you are still negotiating in the third year. We are putting things in place to address this. However, there is only so much over which the Government has control as they relate to the negotiations.

I think a hypothetical question was asked, if the negotiations were completed, would the \$300 million be available. Clearly no, again on the basis of the explanation given by the hon. Minister in the Ministry of Finance.

**Sen. Baptiste-Mc Knight:** I am sorry, hon. Minister, that was not the question. The question was: Were the \$300 million not available, what would be the effect of spending \$427.4 million?

**Sen. The Hon. M. Joseph:** I will leave the hon. Minister of Finance to provide the explanation for that.

The other one that seemed to have been very vexing is the question of the \$20.8 million for overtime for police. Again, an impression is conveyed of a level of inefficiency that exists. For the record of this honourable Senate, the overtime was due to the revised salaries and cost of living agreement for the period 2005 to December 31, 2007. However, half of the overtime payments due could not be paid because of the following constraints—classification of over extended sick leave. I am advised that there are almost three categories of sick leave—no pay, half pay, full pay. I am advised that before overtime payments can be paid, these

matters have to be first resolved and that is the reason. My understanding is that the \$20.8 million represents half of overtime payments that could not be paid because of the administrative circumstances.

Clearly, and one takes note of the fact that one has to see to what extent these matters can be resolved. I would hate to characterize it as an archaic system of record keeping that currently exists with respect to the police service and as a result has to be addressed.

Mr. President, you will be aware that the Government, with the support of the Opposition, has been able to bring legislation to this Parliament that has been passed and that has now changed the way the police service will do business. We are in transition. As you are well aware, the Commissioner of Police now has full authority for the running of the police service. I will come just now to the eight senior positions that were not filled and the reasons why they were not filled. The commissioner now has full authority and in those circumstances one expects that we will put systems in place to treat with that.

The other contributor to the inability to pay the overtime had to do with the demands of the auditing staff in the context of salary negotiations. We take full responsibility for that. The auditing staff at the Ministry of National Security is responsible for auditing all the divisions of the Ministry—police, prison, fire, defence force, et cetera.

### **11.00 p.m.**

Mr. President, the Ministry placed priority on the payment of outstanding salaries to the defence force and as a result all of the limited resources—I understand there are 16 members of staff in the auditing department—were used in order to make sure that we completed the defence force payments, on the basis of a commitment made by the Government to the completion. We take responsibility. It is quite clear that a couple of things need to be done. One is auditing staff for the individual divisions. That is one of the options we would have to look at; allow auditing staff to be placed in the various divisions of the Ministry, so that it can be decentralized and we do not have a current situation that exists where the auditing staff at the Ministry of National Security is responsible for conducting the audit.

In order to pay the backpay and bring defence force salaries up to par—I do not want to say that it was an administrative nightmare—there were certain basic things that had to be done in order for us to meet that. We take responsibility.

*Finance (2007) Bill*  
[SEN. THE HON. M. JOSEPH]

*Tuesday, January 22, 2008*

Do you know what is interesting, as I said in the other place, when you explain exactly what has happened—you are required to do that, you cannot lie in the Senate—they say that you are a failure. This is the situation that exists. As I said, in keeping with what Sen. Dana Seetahal SC indicated, we are looking at the possibility of putting measures in place, in order to address this. We ought not to come to this place, in the future and have this particular problem. As I have said, we are looking at one or two options such as establishing auditing units in the various divisions of the Ministry. I think that is the better solution, rather than trying to increase the auditing staff at the Ministry of National Security. Of course, the allowances associated—the explanation relating to the partial payment of the overtime is also related to the payment of the allowances.

Mr. President, the other area that was mentioned, to which I would speak—I would try to be very circumspect with my time—dealt with the question of vehicles. Some concerns were raised with respect to \$28 million for vehicle replacement. Mr. President and hon. Senators, Cabinet approved \$77 million for the Ministry of National Security to purchase 215 custom-built police vehicles and 85 jeeps from the local companies in Trinidad and Tobago. In doing that, Cabinet was very concerned about the way in which we have been purchasing vehicles for the police service in the past; almost on a very—We always find ourselves purchasing vehicles under tight time frames and as a result, many times we do not buy vehicles that are appropriate for the police service; taking into consideration the terrain, the kind of work that we do, et cetera. Cabinet felt that we needed to be a whole lot more efficient and effective in the way in which we purchase those vehicles. As a result, Cabinet decided that we should get purpose-built vehicles. But given the challenge that we face, in terms of the whole process of procurement internationally, tendering, et cetera, we felt that we needed to get 85 on the local market. And we were to purchase 85 jeeps from local companies in Trinidad and Tobago.

The funding was received for this agreement in mid-July 2007 and this placed severe constraints in the acquisition of these items. The local suppliers could not fulfil the contract from their supplies. These had to be ordered internationally. The contracts were awarded to Neal & Massy Motors and McEneaney Motors. The time frame for delivery of these items was supposed to be four to six months. Twenty vehicles were received in December but the accessories, hoods, communication equipment and sirens were still to be installed. The locals for that particular contract, I am advised, would not accept part payment. They will accept full payment for the vehicles. That is the reason part of the \$28 million was not paid.



With respect to the 62 vehicles, those are to be delivered, my understanding is, by the end of this month. These suppliers will accept payment when the contract is completed. The contract for the custom-built vehicles was awarded to VMCOTT in January 2008. That is the explanation. An impression is being given that our priorities are all wrong, with respect to the question of not procuring these police vehicles. Mr. President, these are the major areas.

Sen. Dana Seetahal SC enquired about the question of the police stations. While I am responding, because she asked, we need to provide the Senate with why it took so long to build five police stations. She quoted the *Hansard*. I want to correct the record. If it is that I said, I cannot doubt it, that we are going to build 18 police stations in fiscal 2008, that is not so. It is the Government's intention to construct 18 police stations over the next three years. We said that we are able to do that because it is necessary for us to put a whole new set of arrangements in place.

Sen. Seetahal SC said, given the problems we have with five police stations, how can we construct 18 police stations in three years. Let me provide the Senate with the information. The five police stations are Toco, Mayaro, Gasparillo, Belmont and Tunapuna. First of all, contracts were awarded by the Central Tenders Board for architectural services and the contracts awarded for the contractors.

In September 2005, Nipdec was contracted to project manage, on behalf of the Ministry of National Security, the construction of the police stations and its overall construction programme: fire service, defence force, et cetera. Nipdec, therefore, had responsibility to ensure timely completion and value for money on behalf of its client, the Ministry of National Security. To this end, the Ministry of National Security also put in place, with the assistance of the Ministry of Finance, a loan financing arrangement of over \$280 million, so that there would be no problem with access to funds.

With respect to Toco, the start date of the police station was October 2005. The promised delivery date was August 2006. The actual completion was August 2007.

With respect to Mayaro, the start date was September 2005. The scheduled completion date was July 2006. The actual delivery was the end of October 2007.

With respect to Gasparillo, the start date was September 2005. The scheduled completion date was July 2006. The actual delivery was September 18, 2007.

*Finance (2007) Bill*  
[SEN. THE HON. M. JOSEPH]

*Tuesday, January 22, 2008*

With respect to Tunapuna, the start date was October 2005. The scheduled completion date was August 2006 and the completion date was November 2007.

With respect to Belmont, the start date was November 2005. The scheduled completion date was September 2006. The fourth promised date is February 2008.

With respect to the contract cost for the Toco Police Station, \$8.15 million, contract cost; construction cost, \$10.35 million; a difference of \$2.15 million.

Mayaro Police Station: contract cost, \$11.9 million; actual construction cost, \$15.019 million; excess \$3.094 million.

Gasparillo Police Station: contract cost, \$8.8 million; actual construction cost, \$11.2 million; overrun, \$3 million.

Belmont Police Station: contract cost, \$11.8 million; construction cost, \$14.8 million; overrun, \$3.025 million.

Tunapuna Police Station: contract cost \$7.7 million; actual construction cost, \$9.8 million; a difference of \$2.065 million.

I do not know if it is in order to provide you with the names of the contractors.

**Sen. Mark:** Yes, in fact I was about to ask you that.

**Sen. The Hon. M. Joseph:** Toco Police Station: contractor, West and Associates; architect Gillespie and Steel Limited.

Mayaro Police Station: Saiscon Limited; architect, Gillespie and Steel Limited.

Gasparillo Police Station: Hookmally Ali Limited; architect, Gillespie and Steel Limited.

Belmont Police Station: Civstruct Associates; architect, Bynoe Rowe Wiltshire Partnership.

Tunapuna Police Station has the same contractor, Civstruct Associates; same architect, Bynoe Rowe Wiltshire Partnership.

There are a number of reasons given for the increase and escalation of cost. The construction supervision was done by the architects; project management by Nipdec; financing in place; current ministry, the Ministry of National Security. Changes: move to UDeCott; change in the approach to construction, that is now design/build; financing still in place; international tendering. These are some of the changes which we will be making, as they relate to the construction programme.

The other area raised by almost all Senators on the other side was the question of the OPVs and the movement of the \$420 million. My colleague will deal with the financing.

My colleague, Sen. Ali, said that he needed to get some information about—He did not know what is a fast interceptor, a fast patrol craft, et cetera. Just for information—the fast interceptor overall length is 13 metres; length on waterline is 9.8 metres; beam overhaul, 2.9 metres; crew six persons; propulsion, twin diesel; maximum speed, 50 knots; maximum range, 300 nautical miles.

The fast patrol crafts—length, 30 metres; length on waterline, 24.6 metres; beam overhaul 6.4 metres; crew, nine persons; propulsion, twin diesel; maximum speed, 40 knots; maximum range, 540 nautical miles.

The fast interceptor will be working with the offshore patrol vessels.

In terms of the interim vessels, you would recall—let me back up.

**11.15 p.m.**

Sen. Ali, you would recall that a statement was made in this honourable Chamber, outlining the financing arrangements of these offshore patrol vessels—the interim vessels, et cetera. Such a statement was made. I guess, for the information of new Senators, at some particular point in time, I would not be averse in bringing the Senate up to date on this matter.

In terms of the interim vessels, the length overhaul, 43.3 metres; beam overhaul, 9.1; crew, 19 persons; propulsion for diesel, maximum speed 20 knots; and maximum range, 3,000 nautical miles.

With respect to the offshore patrol vessels, length overall, 89.5 metres; length on waterline, 83 metres; beam overhaul, 13.5 metres; crew, 60 persons; propulsion twin diesel, maximum speed 25 knots; and maximum range, 4,000 nautical miles.

The interim vessels were supposed to be delivered on January 14, 2008, but there were some slippages, and the new date for delivery is the end of February. I think Sen. Seetahal SC indicated the importance of these vessels, in terms of stemming the inflow of drugs and guns into the country.

Sen. Seetahal SC also made a plea, once more, for the need to treat with the users of drugs. She also mentioned a drug court to deal with drug offenders, in terms of pushers, et cetera. So, rehabilitation is something that we need to consider, and I am sure that we will take note of that.

**Sen. Mark:** Mr. President, through you, could the hon. Minister tell this honourable Senate whether this is the first delay in the delivery of the interim vessels or is it a repeated delay? You would want to tell us the basis for it and the reasons for it, and whether you are satisfied with the delivery and the commitment they gave you initially.

**Sen. The Hon. M. Joseph:** The boats are here and they are being refitted. The persons who are responsible for refitting, the local contractors, have been experiencing problems, so much so that it was necessary for them to send down a couple of supervisors, et cetera, to hasten the speed with which the refitting of the vessels is to take place.

**Sen. Mark:** Could you explain that for me?

**Sen. The Hon. M. Joseph:** Well, I do not have all the details here, but it was necessary for us to refit the vessels—put on the guns and other types of naval requirements. I am going to make a statement and provide you with some more details. I do not have all the information here with respect to the two interim vessels. [*Interruption*] I am going to provide you with all that information.

Mr. President, apart from these specific questions that were raised by hon. Senators—

**Sen. Ali:** I had asked a specific question with respect to the budgetary steps for the proposed procurement of phase II and phase III equipment which is in the 2008 budget.

**Sen. Dr. Saith:** Like in phase I, financing for these fast patrol vessels that we are about to award is coming from the country of origin. It is part of export credit. So, like the OPVs, the money is, in fact, coming from loans. We have not yet finalized the third phase. I am waiting with interest to hear the explanation from the Minister of Finance as to how they are going to provide for that in the budget. It is not coming out of our revenues.

**Sen. The Hon. M. Joseph:** Mr. President, I need to respond to some of the general comments that were made, as they relate to the whole question of budgeting. My colleague, Sen. Ramkhelawan, suggested that perhaps the time has come for us not to be measuring performance purely on how much more money is expended, but in terms of what services, et cetera, are being provided. Under normal circumstances, I would have gone through this in a little more detail.

The document called the *Operational Plan 2007—2010* in support of Vision 2020, let me just quote part of the foreword which states:

“The Ministry of Planning and Development has now taken the process one step further with the formulation of this *Vision 2020 operational plan 2007—2010* which will guide the course of national development over the next four years. This is a ground-breaking achievement. It represents the first time that an attempt has been made to link all the stages of the planning process from vision and goals through to targets, programmes and projects. It therefore signals the commencement of a new approach to developing medium-term policy solutions that have the greatest development impact. It is important to note that the formulation of the Operational Plan draws on the Comprehensive Economic Development Plan (CEDP) for Tobago (2006—2010) which itself was developed in the context of Vision 2020.”

Mr. President, Sen. Dr. Carson Charles criticized us and said that development is for developing people, and it is not about buildings, et cetera—apart from infrastructure, it is about developing people. In developing innovative people, the Government clearly articulates the goals as far as that is concerned. The five developmental pillars have been pulled out and they are:

“Goal 1

The People of Trinidad and Tobago will be well known for excellence in innovation

Goal 2

Trinidad and Tobago will have a seamless, self-renewing, high quality education system

Goal 3

A highly-skilled, talented and knowledgeable workforce will stimulate innovation-driven growth and development

Goal 4

The richness of our diverse culture will serve as a powerful engine to inspire innovation and creativity”

All the ministries are now aligned along these various goals. In each goal, the targets are identified; the objectives to Vision 2020 are identified; and the targeted outcomes are identified.

In terms of the goal for which—the development pillar for which the Ministry of National Security has primary responsibility is promoting effective government and the five goals have been identified:

“Goal 1

Our Society and our Government will adhere to good governance principles and practices

Goal 2

Our public institutions will be high performance professional entities effectively and efficiently meeting the needs of all their clients

Goal 3

Trinidad and Tobago will have modern, technologically advanced legal, regulatory and enforcement systems

Goal 4

All citizens will be assured of fair and equal justice

Goal 5

Trinidad and Tobago will be a safe and secure place to live, visit, do business and raise families”

Again, each one of the objectives has been identified; and the targeted outcomes have been identified for each year. Sen. Mark raised the issue about the level of detection and crime, et cetera, but the goal is clear.

The objectives to 2020 as they relate to “Trinidad and Tobago will be a safe and secure place to live, visit, do business and raise families” are clearly identified.

The objectives to 2010 are:

“1.

Significantly reduce crime by using a holistic, sustained approach that addresses the root causes of crime

2.

Reduce the involvement of young people in crime

3.

Increase the homicide detection rate

4.

Reduce recidivism through the rehabilitation and reintegration of offenders

5.

Instil a culture of law and order and respect for human life among all citizens

6.

Restore public trust and confidence in the Protective Services.

7.

Create an integrated national security infrastructure which ensures that the issues of crime, public safety and national security are addressed on a holistic and sustained basis

8.

Protect the borders of Trinidad and Tobago from illegal entry and exit of people and products

9.

Secure Trinidad and Tobago's interest through international, regional and local defence effort

10.

Protect all citizens from the hazards of natural and manmade disasters"

**Sen. Ramkhelawan:** Mr. President, through you, I come from a discipline where when we talk targets, we talk about measurability in terms of time frames and specific numbers. For example, the outcome of reducing homicides or increasing the detection rate will translate into increasing the detection rate from 8.7 per cent, as was reported to 50 per cent by 2010. I think the targets have to be measurable. That is the point that I was making. Those statements are still too "motherhood" in nature to be really called targets. I would expect that the outcomes would be more concentrated, specific and measurable.

**Sen. The Hon. M. Joseph:** I just read the objectives to 2010. With respect to targeted outcomes, the number of serious crimes, especially murders, reduced to at least 20 per cent. Homicides detection rate increased by 20 per cent; gang related activities were reduced; and the number of youth offenders was reduced. Clearly, we could not put numbers.

The recidivism rate was reduced from 56 per cent to 46 per cent. The number of domestic and industrial accidents was also reduced. For certain specific things, the measures are there. That is why we were able to say in 2007 we had anticipated a reduction of homicide rate by 10 per cent but, in fact, we did not have a 10 per cent reduction, we had an increase of 5 per cent. We knew exactly what we were aiming for, and we told the population that.

Mr. President, we are clear, in terms of what are the specific objectives we want to achieve. I just want to advise hon. Senators that to say that the Government has not shifted its focus, in terms of its directional objectives and in terms of being clear on what those targets are, that is certainly not so. So, we have an idea of how far

*Finance (2007) Bill*  
[SEN. THE HON. M. JOSEPH]

*Tuesday, January 22, 2008*

off we are. We are clear that the aim of developed society status, 13 years from now, is the quality of life and standard of living for our citizens, comparable to what exists in developed societies. We have a challenge that we have to face.

**11.30 p.m.**

When we reach 2020, developed societies must not be at 2040, so at some point in time we have to leapfrog—I may not be characterizing it properly, but that is how I see it—as a result, to be able to stay in step with other developed societies.

With respect to crime and violence, we know we are far off; we know what developed nations crime and violence is like. We know where we are. We recognize there is a huge gap that exists between where we are and where we need to get to. We also recognize something, Mr. President. We recognize that if we do not transform the law enforcement; if we do not transform the police service—and I was glad to hear a number of Members on the other side talk about the morale of the police and talk about certain things. This is a Minister who has taken a lot of blows, because I will not publicly criticize the police service. I have had people come and tell me to say how bad it is. We know how bad it is. We criticize behind closed doors; we put measures in place, but you cannot publicly beat up on an institution and then at the same time expect them—we are not satisfied with how they are performing. They know that. And this Government is putting everything in place to make sure; but we have to build an organization that is built to last.

Yes, we are not satisfied with the pace. I have publicly said I thought that the transformation would have taken place quicker and they said, “Oh, I underestimated the nature of the job, they should fire me”. We did not expect that it would take so long. But then again I am reminded; I am dealing with an institution that is 700-plus years old. Some of the practices, et cetera, are engrained, and what it is that we are trying to do is to change the way in which the police service is operating, as it is required to operate in a developed society. We keep saying to them, just think about what obtains in a developed society. Look at how law enforcement obtains. We have to put measures in place, and this Government is committed to making sure that we provide this country with a level of law enforcement in keeping with a developed society status.

I thank you very much, Mr. President.



**Sen. Dr. Adesh Nanan:** Thank you, Mr. President. As I enter debate on this Finance (Supplementary Appropriation) (2007) Bill, 2008, I have had the opportunity to listen to the contributions here this evening and I will respond accordingly.

I have listened to the Minister of National Security and I feel no more confident as he has spoken now than before. I want to tell you, Mr. President, as I start my contribution, that I want to go to one particular area that nobody really pointed out, and that is under the Ministry of National Security, and that is the Office of Disaster Preparedness and Management. The documentation before us actually gives us a window into the non-performance of the Government. It shows quite clearly that the Minister of National Security is not aware of things happening in his Ministry. The Minister would have reported here and given some explanation.

The Office of Disaster Preparedness and Management is of critical importance, and he pointed out Vision 2020 in terms of natural and manmade disasters and the readiness of the Government to deal with these incidents. The document states that the organizational structure was not in place for the Office of Disaster Preparedness and Management and there was not recruitment as a result. This is totally unacceptable! Because the Prime Minister goes around this country boasting of an Office of Disaster Preparedness and Management and he would have seen last year, in terms of the flooding situation in Central; now it is quite clear that there is very little or no response from the Office of Disaster Preparedness and Management, because none exists at this particular point in time. There is no staffing in that office, so how can we have confidence in the Government with respect to disaster preparedness and management?—a critical area, not only in Trinidad and Tobago but in the Caribbean region.

Mr. President, for years the Government has sat on a particular project, that is, the Doppler Radar for Trinidad and Tobago. The Doppler Radar was part of the meteorological expansion programme and up to today it is not completed, so we are seeing non-performance in those sectors. It is also here in terms of the meteorological services and the non-performance in that area.

Another area in the Ministry of National Security I thought the Minister would have pointed to, is the situation with machine readable passports in this country, because the citizens must suffer severe hardship with respect to getting to these offices or actually being seen at these particular offices, both in San Fernando and Port of Spain. We have heard and we have read of the complaints of citizens with

respect to going there. Do you know what it is to get up 1 o'clock in the morning and try to go to these offices at 4.00 a.m. to be seen or to have an opportunity to apply for a machine readable passport? It has been going on and continues to go on. Citizens are suffering, and we are hearing about a caring Government.

Sen. Lezama pointed to an intellectual bankruptcy. I think she was talking about the Government Members, actually. When we talk about intellectual bankruptcy, a simple solution; the Minister of National Security can intervene and prevent hardship to the people with respect to the obtaining of a machine readable passport. Sen. Lezama also pointed to sacrificial lambs and the children of this country. I want to remind the Senator that it was the United National Congress administration that abolished the Common Entrance Examination, in case she forgot.

**Sen. Mark:** Yes, definitely, definitely. [*Desk thumping*]

**Sen. Dr. Saith:** And replaced it by? [*Laughter*]

**Sen. Dr. A. Nanan:** In so doing, Mr. President, the normal wastage of children's education under the PNM administration, that particular situation was abated by the UNC administration. For years—in fact, when the UNC administration came in 1995 we had to put quick-fix solutions to that particular problem. We never wanted any child to be left behind. The motto was “No child must be left behind”, and we started in 1995. The particular budget was very small, we did not have that kind of—

Mr. President, do you know what is happening in this country today under the PNM administration? It is a numbers game. You are talking about flinging money at the problem, we are hearing all different plans and programmes; Sen. Lezama spoke about the different programmes and plans, but the allocations were different. We heard the Independent Senators give you an idea in terms of percentages and the value, and the great contribution of Sen. Dr. Kernahan in terms of the *Bible*; the relationship between that particular situation with the coins and what you spoke about Sen. Lezama, so you must be careful in your contribution. I know that you want to make your mark in the Senate, but when you are making your mark in the Senate you must not make statements that are false and misleading. [*Laughter*] [*Desk thumping*].

I also want to caution the Minister of Agriculture, Land and Marine Resources because I could spend a “next” hour here debating what he said. In his opening contribution he must be very tight in presenting, because when you open the debate you open for a lot of blows. [*Laughter*] You said in your contribution that

the United National Congress administration had no development. Where were you living? I knew you were in Canada and you had some dealings with the law and stuff like that, but I want to remind you to do like the Senator who has been traversing this country and go up to the east coast where you will see the bridges built by the UNC administration. Go to the various schools—the Minister of Education in the PNM administration could not build a single secondary school in this country, and every single school that was built by the UNC administration was claimed by the PNM Government. That is quite clear. *[Laughter]* So, when you come to make wild statements like that, you must have your facts.

And the Minister of Health, *[Interruption]* coming into this Senate to talk and give us all the different numbers—it is a numbers game. But the commission of enquiry pointed out that the health sector is in shambles. You ask any person on the street, will they go to the Port of Spain General Hospital or the San Fernando General Hospital, the answer is no, and as the reports come out it is not media hype, it is fact and you must face reality in this country. You all have hidden under the carpet for far too long. And I want to let the hon. Minister, Sen. The Hon. Dr. Lenny Saith know that when I speak in this Parliament I have the background of the Ministry of Education, the Ministry of Tourism and the Ministry of the Environment.

**Sen. Mark:** Yeah man, yeah man. He has the background—*[Desk thumping]* *[Laughter]*

**Sen. Dr. A. Nanan:** It is quite clear in terms of these transfers that it is a failure of the Minister of Planning and Development in the PNM administration that has led to this fiasco here, in terms of these transfers. Because it is the Minister of Planning and Development that deals with the Public Sector Investment Programme and if the Minister of Planning and Development watching those various ministries and Ministers in terms of performance we would not have this kind of situation developing in these particular ministries.

The Minister of Planning and Development would be able to monitor, and that is why we heard in terms of monitoring, we need a monitoring mechanism. As I speak, Mr. President, I will deal with another area in terms of the Ministry of Community Development and Gender Affairs, because in this allocation there is money being put forward for scholarships for students in tertiary education who cannot access the particular courses in Trinidad and Tobago or the Caribbean. Where is the accountability? Were these scholarships advertised? Were students aware of these scholarships that were given in that Ministry? We recognize that there is a Scholarships Division that is responsible, so if this Ministry is a

*Finance (2007) Bill*  
[SEN. DR. NANAN]

*Tuesday, January 22, 2008*

runaway Ministry in terms of giving scholarships—we are not against scholarships; it is the approach to giving the scholarships. Is it discriminatory? We know that our students must benefit. I agree with Sen. Dr. Charles in terms of the number of scholarships that we must give, because there are many areas with respect to the courses that need to be pursued but cannot be accessed in Trinidad and Tobago or the Caribbean.

As I talk about that, I go back to Sen. Lezama's contribution, because she dealt with the University of Trinidad and Tobago. We have had reports of that university with respect to the doctorates and the professors who are coming down to this particular university, and we have to ask in terms of credibility—and the Government must state categorically that we are moving forward in terms of getting professionals and professors in that university. If you are setting a standard, do so. In fact, the University of Trinidad and Tobago was born out of the UNC administration. We started that particular training programme in terms of the alliance with universities abroad, with full accreditation possibilities.

So we are not against access to tertiary education as you pointed out, Sen. Lezama, in terms of numbers. Again, you are talking about billions of dollars available to the Government that were not available in that particular period under the UNC administration. But we did so. We expanded the tertiary sector within the allocation that was available at the time, so we want the accountability. We want the Minister of Community Development and Gender Affairs to tell us, was there any advertisement for these scholarships in that particular Ministry and is that Ministry operating separately from the other division with respect to the scholarships administration?

I also want to deal with the Emperor Valley Zoo because there is an allocation here in terms of a pipeline for the Emperor Valley Zoo. You would recall, Mr. President, that there was an allocation of \$50 million for the Emperor Valley Zoo, and at that particular point in time it was the intention of the Government to marginalize the zoological society, and for years it was started—in fact, it was a subvention given to the zoological society. The Emperor Valley Zoo started with the zoological society, and that particular subvention grew with respect to the zoological society.

**11.45 p.m.**

Now, with the \$50 million injection from the Government, the society is being marginalized. We want the Minister of Tourism to give us an idea of how far this project has reached in terms of the \$50 million allocation. We have seen nothing here with respect to the performance in that particular sector.

Is it the intention of the Government to expand the Emperor Valley Zoo at the existing premises or is it the intention of the Government to look for another venue? These are the questions that must be answered. We have heard in this debate about the Magnificent Seven and a major part of that Magnificent Seven is the tourism sector. It is unfortunate that in this particular document, we are seeing that there are positions still vacant and moneys are being transferred. The Tourism Advisor II position was not filled in the Ministry of Tourism, and if you read further, you would see that they could not find a consultant to do another strategic plan. We heard the Minister of Health talking about strategic plan, modifications of strategic plans and transformation process.

Someone mentioned that the only person who could transform anything is the PNM administration. But in terms of the transformation of the Ministry of Tourism, the Minister of Tourism has been sleeping on the job. You do not need a Tourism Advisor II to tell you that we have the most beautiful beaches in Trinidad and Tobago. We have heard in terms of the lifeguards—I totally agree with the Senator. Why is it? Is it because these beaches are in South: Los Iros, Penal and Vessigny? These beaches can be upgraded and they can be part of the tourism product. So when you come to the Senate with this particular situation where there is no Tourism Advisor II and there is no strategic plan, we have to ask these questions.

When we are dealing with tourism we also have to look at the situation with respect to the air and sea linkage between the islands. Reliable, comfortable and affordable, that is what we must have. I do not think we have a reliable air bridge because every now and then people are being stranded in Tobago. There was a recent incident where the ferry broke down and was drifting. People had to call from the boat and let their families know that the boat had broken down and was drifting at sea, and the only saving grace is that they could see the land. That was the situation. [Laughter] So what are we taking about? We are talking about people's lives and you are talking about a caring PNM Government.

Air and sea linkage. When we are dealing with a situation with tourism and tourists, tourists must feel safe. Our own citizens are not feeling safe in our country. We are living behind a steel curtain because of the PNM administration and the Minister of National Security came and talked about a 20 per cent reduction in homicides—2020. So you are telling us that you are going to have killings from now until 2010. [Laughter] That is totally unsatisfactory and you talked about being fired. You should be removed for that statement. [Laughter] That is totally unacceptable.

Mr. President, it is unfortunate that we have to condone an administration that has failed the people of Trinidad and Tobago. It is unfortunate that we are in a parliamentary system, a kind of system that does not give the benefit to the country. In other democracies, plans and programmes are continued with, but in Trinidad and Tobago, there is always a guillotine. Many programmes put in place by the United National Congress have been severed by the PNM administration due to spite, vindictiveness. [*Interruption*]

Mr. President, I would not be distracted because I have a lot of things to say, but I could reply. [*Laughter*] I have very limited time and the hour is late. [*Laughter*] [*Desk thumping*] The allocations will show that in terms of education, the Government has failed. It is hurtful to me to see year after year in an area that demands resources—if you look at the budget documents—every transfer, they are moving money out of special education, what we call differently abled. Every year, the PNM administration moves money. Again in this document, we are seeing Special Education Resource Programme and they are moving \$13 million from there. Why not put a programme in place in our schools to accommodate differently abled students? You have the money; put the equipment; put the teachers and make them feel as one; do not marginalize them. Every year when we come to the budget documents and appropriation, we see special education suffering. Simple solutions, not 2020. We have to reach 2020 to get these benchmarks. That is one area.

The other sore point in this particular document is the lack of the Network Administrator in the Ministry of Education. They have advertised for the position according to the documents and they have not found any suitable candidate for a Network Administrator. As a result, \$17 million has been moved from that Ministry, a whole IT Unit. If I recall, part of the IDB loan was to set up that Information Technology Unit. That was supposed to—[*Interruption*]

**Sen. Manning:** Could you give way, please, Sen. Dr. Nanan? Mr. President, I would like to talk about the two points made: special education resources programme and to let this honourable Senate know that the Special Education Unit at this point in time has received more money than ever before, especially under the last administration—the administration before the last administration. What you are seeing here is the purchase of more resources because we have purchased quite a lot. We have started a seamless approach to the system. Most of the students who are disabled, who can go into the mainstream, they have been mainstreamed.

We have been purchasing equipment, Braille machinery, et cetera, for them. As a matter of fact, just this academic year, one of the students graduated with a scholarship, Mr. Manswell from San Juan Secondary School. He did his CXC and did very well. So our special students are being cared for with equipment and tools and are placed into the system.

Again, I would like to say for the IT Unit, the IT Unit has now moved from five at that time to over 23 persons and the Special Network Officer has just come on stream from Canada. It took us a while to do some head hunting. He came from Canada and he is now in the unit and the unit is really going great guns. Thank you very much. [*Desk thumping*]

**Sen. Dr. A. Nanan:** Mr. President, the other area that I was going to in that Ministry of Education was really official overseas travel, joyriding of over \$779,000; that is the transfer to that particular Head. But I do not want to leave the IT section in that Ministry because it is important.

In today's situation, in our secondary schools and even at the tertiary level, utilization of the Internet is very important. In fact, that Ministry should have already gone into what we call a blackboard using the Internet. That is, the lecturers will put their lessons and workshops on the Internet; they can do anything they want; and the students can get a password and access that information. That is the Internet capability that is available with respect to education. The students would have those resources, and if they miss a class they can get that lesson on the Internet. That is how it is. That is nothing new; this is no great idea.

**Sen. Manning:** Could I, Mr. President?

**Sen. Dr. A. Nanan:** My time is limited and—[*Interruption*]

**Sen. Manning:** Because he is not saying the truth and I would really like a point of order.

**Sen. Dr. A. Nanan:** Well, if you call the point of order I would sit down. [*Laughter*] Mr. President, it is a very sickening situation in that Ministry of Education and I could understand the Minister of Local Government trying to defend the Ministry of Education. But it is unfortunate, you cannot defend the indefensible. The situation here—and I can go on in every particular allocation here in this Ministry. I did not plan to do that, but I could continue like that.

Look at this particular issue, “upgrading of facilities for the computerization of primary schools”, \$3 million transferred. They have transferred \$3 million to that Head, but that Ministry of Education has been so tardy in this particular area, that

*Finance (2007) Bill*  
[SEN. DR. NANAN]

Tuesday, January 22, 2008

schools have built their computer labs over a year; two years. I would not give way, but I would let the minister know [*Interruption*] over two years computer labs have been constructed in this country in primary schools and the computers have not been placed. That is the kind of performance under the PNM administration. They are talking about the people having confidence in the PNM administration to put them back in office. [*Interruption*]

I do not know what happened on November 05. I do not know what happened to the population. [*Laughter*] It was a grave mistake to put you all back there. It was a total mistake. [*Laughter*] I agree that their time is limited. They are crumbling already. [*Laughter*] Mr. President, imagine that you are almost— [*Interruption*]

**Sen. Dr. Saith:** [*Inaudible*] born in Tabaquite?

**Sen. Dr. A. Nanan:** November 05, was the election [*Laughter*] and we are in January, and they are back-peddalling on every single area in this particular document. Back-peddalling everywhere we go. We are not hearing anything coming forward in terms of progress, everything is back-peddalling. No explanation can come from any one of them on that side in terms of dealing with this issue because they cannot defend it. It is poor performance and it is showing quite clearly in every sector.

In the Ministry of Health, it is a major disappointment—the allocation in that Ministry.

**Sen. Dr. Saith:** You think Mr. Ramesh could talk like that? [*Laughter*]

**12.00 midnight**

**Sen. Dr. A. Nanan:** Mr. President, the other area I will deal with is the environment. The Government is hell-bent on building these aluminium smelters, but what about the other issues in terms of the environment? Why have they left that out? If you think that is not relevant, you can go to the document and see things about reforestation and the environment.

Family bonding is something that is lacking, because it is very difficult to have that when the crime rate is so high. People cannot even come out of their homes in the day; they are afraid to go out. That is why you have to control it. That is a main bugbear, and you are responsible, Minister of National Security, whether you like it or not. The population is fearful. We cannot become a proper tourism destination with crime hanging over our heads. Any proposal that I put forward will have to be premised on the fact that crime must go down, not just by the 20 and 10 per cent we heard about.



Mr. President, I am willing to give way on this one. I asked the Minister of National Security in the tea room about something, not just to score any political points. I asked him because I read in the newspapers that the DNA sample that was taken recently from a convicted person was going to be sent to London for testing. I asked the Minister of National Security, because I was aware that it was stated in a document that the Forensic Science Centre would have had the capability to do DNA testing since April of last year.

The Minister of National Security asked me—I do not want to say in an arrogant way, I have to find another word—if I believed everything I read? That was the answer I got. How can I have confidence in the Minister of National Security? A simple question I asked him for information. *[Laughter]* I am prepared to give way. *[Crosstalk]* We need a massive reforestation programme, not the small thing they have going on in various communities.

I was putting the point forward about family bonding and that we needed to have parks in every community. We also need to have fishing ponds in every community; that is a possibility in every community, all the things to engender family bonding in our various communities. When we are planning a housing estate, we need to make allowances for schools and more recreational facilities.

I am also dealing with sports and events tourism. The children of our communities are the future stars. We need to reintroduce sports in our school curriculum.

**Sen. Manning:** It is there; it is compulsory.

**Sen. Dr. A. Nanan:** We need to have specialist sports colleges.

**Sen. Manning:** It is there, the faculty at the University of the West Indies.

**Dr. A. Nanan:** I am not talking about white elephants; I am talking about specialist sports colleges for our athletes to have proper training and coaching.

I am hearing asides, but I will not respond because I am dealing with specific areas. I do not know if you want to gain political points, I am not here for that. I am here to help the country. *[Laughter]*

**Sen. Manning:** I am informing you.

**Dr. A. Nanan:** Mr. President, if you look at it in terms of an analysis and surgically dissect the environment, you would see that in the various communities you could have simple competitions between villages, go on to the region and then actually identify persons who could become future athletes. We must have a breeding ground; it must start in the communities, so you have to take them back to start with.

When I was preparing for this particular area, it opened up the whole landscape for Trinidad and Tobago in terms of communities and the great possibilities. Sen. Dr. Charles spoke about taking back our communities. When we take back our communities, we have to put the facilities in place. In fact, in the development programme of the UNC administration we built community centres. You can go around the country and see centres that have been constructed. [Crosstalk] If you look at the communities and you have these youths coming forward, then you would have your various areas in terms of the athletes and what they can achieve.

You can nurture these athletes. That is why I talked about specialist sports colleges to deal with our athletes. You can also have in your arrangements, not only the competition between villages, regions and at the national level, but you can also invite teams from abroad so you can look at our level and be able to judge in terms of our standards, and raise our standards.

Another suggestion is teams practising here. Under the UNC we built fantastic stadia in this country that are not being used under the PNM administration. In Marabella that stadium is almost in total disrepair. They would not even repair the door for the athletes to go out onto the play field or into the arena. It is very dangerous to go through that door, because the glass is chipped; no maintenance. That is the situation. I talked about the guillotine by the PNM administration: everything that was done by the UNC is being totally rejected by the PNM administration. They are not maintaining anything. I know they want me to go to the airport; I can go there, because they are not maintaining our airports. [Laughter] Why is there a lack of maintenance? We have seen the non-performance in terms of the vacation repair programmes.

**Sen. Manning:** Three hundred schools, unlike your nine.

**Sen. Dr. A. Nanan:** Year after year, thousands of children must remain home, because the Ministry of Education cannot organize a vacation repair programme. Year after year the children must suffer and be deprived of an education because of the Ministry's non-performance. I do not want to go there, but it is also in the document. I wanted to stay in the sports arena, because I think that is where the actual genesis of our future athletes would come from.

If you have that particular set up with teams practising here, in winter they could come here and train in our facilities; that linkage could take place. Why can we not have an international racing circuit? Why can we not have international racing in Trinidad and Tobago? We have drag racing that is illegal, that encourages

our youths to be out in the streets all hours of the night looking on. Why can we not have, like other countries, where the tourism sector is built and a lot of revenue comes into the area and you have visitors coming in because of an international motor racing circuit? That is another possibility.

Those are things that could build the country, that could build the tourism sector. But we have to be careful as we look at diversifying the economy, because some people will say, "Yes, we will diversify the economy with energy and if we do so we will build steel plants", but the Government has said, "We will diversify and build aluminium smelters", so we have to weigh one against the other. We have to be careful in what we do in terms of the driving and diversification of the economy with energy.

We are wasting our natural gas emissions. We have what we call "hot gas emissions"; we are wasting our natural gas in terms of that particular situation. We must be able to have low pressure turbines and even boilers using waste heat. You must get PowerGen and Trinity Power to go in that direction; those are simple things that can be done to capitalize on this particular situation.

Mr. President, I am drifting because I want to make sure that the Government understands where I am coming from in terms of the potential in various sectors and how they can utilize the various areas in the environment and the sports arena.

Look at the simple situation of our tourism potential with regard to the eco-destination possibilities. We have not had much with regard to marketing our tourism destination. The Tourism Development Act makes allowances and gives physical incentives to persons who want to go into eco-lodges, but that is not happening. Nobody is going into eco-lodges in Trinidad and Tobago, although there is that facility under the Tourism Development Act. The food and entertainment industry, physical incentives should go there so the small businessman could get incentives to go forward.

Another area in the tourism sector deals with our natural attractions. At our natural attractions why can we not have campsites like other countries? Why can we not have water, electricity and first aid available so people can have that kind of opportunity to camp if they want a natural tourist attraction? Another area is our natural caves. Why can we not explore the possibility of opening up our country and developing our natural caves and our wonderful, unexplored beaches? Why can we not do those simple things? Those are not 2020 programmes; those are things that can be done right away.

As we diversify, we can use the tourism sector and market this destination in terms of lifting the tourism product. So with tourism there is great potential. I am seeing here that there is no strategic plan in place and there is no tourism advisor in that Ministry. I am very sorry in terms of diversification of the sector.

The Magnificent Seven also includes the manufacturing sector, which is under threat. The situation with respect to the fall in oil prices as well as the possible recession in the United States will affect our manufacturers. There is another compounding problem that the Government needs to consider; labour contracts in many areas have to be renegotiated. With the inflation rate going up, many of our manufacturers will not be able to employ the same number of people; so we will have shrinkage of labour in the manufacturing sector and it will become less competitive within the Caribbean. That could lead to a collapse of the manufacturing sector, which is a very important sector for the diversification of the economy away from oil and gas.

A simple thing like the import duty on raw materials for manufacturers expired on December 31, 2007. It is reported that manufacturers have to post a bond of millions of dollars, because of the failure of the Government to renew the order to exempt these manufacturers from paying the import duty for raw materials; a simple thing like that. They have to post millions of dollars in bonds for a particular raw material that they are buying in bulk. Those are the things we are worried about on this side regarding the caring nature of the PNM administration.

**12.15 a.m.**

The other area I want to deal with in terms of the transfers is the pension fund. The consultancy service of the award of contracts was not concluded because of administrative delays, so is the Government moving to have a contributory fund for public officers? I am saying, why can you not make an allowance with 25 per cent of the public officers' salary going to the pension plan and that will not be taxed. That is a proposal that can be put forward in the interim while you find a consultant for the pension fund programme and set a benchmark. You can say \$2,000 minimum for this particular pension per month, and if there is any increase in terms of people who have retired, you can make the adjustment. Those are simple things that can be done. So when you say you have not awarded any contract and the pension fund programme is in abeyance, this also affects Members of Parliament and their retirement allowances. So that is another area that can be dealt with quite quickly.

In terms of the environment, you have the reforestation programme but what about the situation about domestic and industrial recycling?

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

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

*Question put and agreed to.*

**Sen. Dr. A. Nanan:** Thank you, Mr. President, and I thank all Senators for extending my time. I will give them the assurance I will not take the full 15 minutes. Actually, it all started with the contribution by Sen. Lezama, the statement of intellectual bankruptcy and the sacrificial lamb really affected me.

The area I was making reference to in terms of domestic and industrial recycling is a realistic possibility and the Government can introduce it, there is no need for legislative measures, but the Government can be promoting recycling in Trinidad and Tobago. In fact, there is a possibility for a recycling industry of waste material and I do not want to go into the failure of the Government to come with a National Solid Waste Management Plan, I will leave that for another debate. I want to go to the Ministry of Local Government.

Mr. President, the regional corporations have strategic plans, the Government can allocate adequate resources because year after year there is a situation of where the corporation is being starved for funding. The Government can allocate enough resources based on the strategic plans of the local government corporations for their development projects that will assist in building the communities as a first step.

The second step is that under the Municipal Corporations Act of 1990 there is a possibility where the corporations can access loans for development projects, so the Minister of Finance has to look at the law and make sure the Regulations are being followed, but there is a possibility where the corporations can access loans and that will go a long way. The regional corporations have many great plans, but there are not enough resources and the plans are all shelved. There is another area coming in now with respect to the Rural Development Company working with the regional corporations, and a number of corporations have plans and the upgrade of various villages to utilize the Rural Development Company. It is my view that

*Finance (2007) Bill*  
[SEN. DR. NANAN]

*Tuesday, January 22, 2008*

the regional corporations should be the catalyst, the driving force, everything else should be coming alongside and that is the possibility where you can utilize the loan under the Municipal Corporations Act. So those are the points in that particular area.

The document makes reference now to what we call the Market and Opinion Research International (MORI) for consultancy services aimed at the improvement of the quality and effectiveness of the public service delivery. We need to examine this particular allocation and we need the Government to explain this MORI. What was the benefit of this consultancy with this particular \$5.2 million allocation? We have to be careful. It is ironical that almost in every single area all the consultancies in other areas could not get any consultants and money was being moved because of lack of consultants but in the Ministry of Public Administration and Information, \$5.2 million was paid for consultancy services.

**Sen. Dr. Saith:** I learned from Sen. Mark.

**Sen. Dr. A. Nanan:** Mr. President, I too am very concerned about the situation with the World Tourism Organization and the relationship between the Caribbean Tourism Organization and the World Tourism Organization. I know many Members on that side are aware of the possibility to utilize that particular organization as the benchmark because they deal with the global perspective in terms of tourism. We could utilize that particular organization and there are benefits to be derived because when we go to these various shows in North America and Europe to display our products we have the opportunity to interact with other countries and players in the tourism sector and we are able to share information.

We are going to be in a network of the Caribbean Tourism Organization which is what we call the periphery of the global tourism market. We need to retain our membership in the World Tourism Organization if we are going to be serious about tourism because we have to compete on the world stage, we are not competing in the Caribbean or Latin America alone, we are competing with countries way across in the Indian Ocean.

I recall at one particular conference there was representation from a number of islands in the Indian Ocean because they recognized they had to compete with other countries around the area. We have to look at that but you have no Tourism Advisor II and no strategic plan, so I guess in 2010 you might be able to have a strategic plan in place.

I have a few more areas, Mr. President, and I will be brief. Just some quick observations especially with respect to Caribbean Airlines and BWIA because the Minister in the Ministry of Finance never explained to the Senate about the slot at Heathrow; we must get an explanation. [*Interruption*] The public is still unaware of why we sold our slot so cheaply. The other area is the Central Bank control, a quick observation with respect to the inflation rate.

Mr. President, there is a situation in this country where the Government boasts of a low unemployment rate and when we go on the ground we see poverty in all areas. Why in this 21<sup>st</sup> Century with oil prices over US \$100 per barrel there must still be poverty in our country? Why can we not have that kind of ripple effect where people are taken out of the poverty cycle and brought into different strata? We have the capability to do it. The Government talks about social service intervention but people are still under the poverty line in this day and age and those same people have difficulty in acquiring homes, they have no running water or electricity. That is the situation in this country, and it should not be so because it was not like yesterday oil was \$100 per barrel, we have had it over a protracted period. So the Government needs a consultant in that area to have a realistic look at the poverty situation and not cast aside comments being made in terms of the human development report and where we are positioned.

I heard the Minister of National Security talking about the maintenance of vehicles and the allocation and I want to make one quick reference to that, Mr. President. It has become the norm when you call the police stations, you hear there is no vehicle; whether there is one or not, you hear there is none. Why can we not operate how we had operated in Tobago? When there was a situation like that in Tobago we worked together with the hotel operators who donated vehicles to the police to go around the neighbourhood; that is the solution, work with people in the area.

Also, we have contradicting views where the Commissioner of Police says that the private security is a supplemental arm of the police and the hon. Attorney General says that vigilante groups are illegal, but we have to put systems in place. We have to resort to these measures when the Government fails to secure the people, and that is another solution you can look to in terms of working together with the private sector to get vehicles. But you have to put something in place, you cannot just be waiting for vehicles and when the people call the station to hear that the vehicles are not available and they are at the mercy of bandits.

**12.30 a.m.**

The coastguard, Mr. President, in terms of coastguard capability, a major part of the situation with our fishermen is the lack of surveillance. Our fishermen are at the mercy of pirates and we need to have more patrols in our waters to safeguard our fishermen. I do not know if buying the offshore vessels would assist the fishermen. And when you have a situation where you are spending millions of dollars, whether it is by loan disbursement or some other mechanism in finance, and you have these vessels coming in and then we hear that—that reminds me of a situation where, when we received the coastguard cutters from the US government, these cutters were not operational. For some reason the turbine went bad; something else went bad. I do not know if it was sabotage at the time. I do not know if the Minister is being sabotaged in the ministry; I do not know if these boats that they have acquired with respect to the particular company that sent these boats, if there was a defect initially and you will now have to face the situation where you have been duped, unlike the Minister of Works and Transport who said that he found out the problem so he did not have that situation developing with the water taxis.

It has been a pleasure to participate in this debate and I hope that in my contribution I have shown that the window we have been given is an opportunity for the Government to become awake. They must recognize that the society is depending—

**Mr. President:** Hon. Senator, your speaking time has expired.

**Sen. Dr. A. Nanan:** Thank you, Mr. President. [*Desk thumping*]

**Sen. Gail Merhair:** Mr. President, I rise to make my maiden contribution to this honourable Senate with a sense of humility and optimism. Much has been said about parliaments across the world. The late George Bernard Shaw, Irish literary critic and Nobel laureate for literature, 1925, said that, and I quote:

“Better a leader of fabianism than a chorus man in Parliament.”

Even Thomas Carlyle, Scottish historian said that:

“Parliament will train you to talk and above all things, hear with patience unlimited quantities of foolish talk.”

Let it be clear that I do not share the skepticism of some. I believe that all Members of this honourable Senate enter here with the determination to provide the best representation of the people. I now commit myself to do so and to serve



the people of Trinidad and Tobago. In so doing, I now turn my attention to the substantive Bill at hand and that is the Finance (Supplementary Appropriation) (2007) Bill which seeks to approve the supplementation of appropriation for fiscal 2007 and transfers that were effected from one ministry to another.

In so doing, when I studied the document, I looked at the benefits that may be derived to the people of Trinidad and Tobago. My first point would be under the Ministry of National Security. I looked at sub-head 9, sub-item 6, project No. 35 in which \$22,969,000 was spent on the security management for the World Cup. I would like the hon. Minister of National Security to explain this vote. Why was this amount of expenditure necessary and what justification is there for it? We did, in fact, host the World Cup but did we have to hire private security? Or is it that we had to host other security details from other parts of the Caricom region?

My next point under National Security—and I was rather happy to hear the Minister of National Security reaffirm his commitment to the transformation of the police service, because under Head 22, sub-head 02, item 004, we looked at sub-item 03 for uniforms which was \$2 million; sub-item 13, which was the maintenance of vehicles, \$1 million; sub-item 16, contract employment, \$2.5 million; sub-item 17, training, \$6.9 million, and after going through these figures it, perhaps would have given the perception, or the misinformation, that the police service transformation process might have become stagnant. So I am indeed happy to hear that the Minister has, in fact, reaffirmed his commitment to the transformation of the police service. Because when it comes to training of the police service, we need to really and truly make sure that our protective services are trained appropriately to deal with, not only the perpetrators of crime, but also the victims of crime. We also need to make sure that proper resources are given to the police in their fight against crime.

It has, in fact, come to my attention as I have had to visit some of the police stations in the San Juan area for and on behalf of some of my members as former President of the San Juan Business Association, where we have found that simple forms are, in fact, missing or the police station does not have simple forms to charge individuals, or they lack very simple resources like stationery items and these sorts of day-to-day tools that they need in their day-to-day articulation of their job. This, in fact, would demotivate a lot of police officers. So I am concerned that transfers were made from one vote into another when, in fact, a number of the police stations lack a lot of the resources necessary to carry out their day-to-day activity.

My second question would be concerning BWIA. I realize that the supplementary appropriation (2007) made a utilization of US \$68 million for the enhanced voluntary separation plan and buy-out claims of employees. Although this has happened, there are still some employees of the former BWIA who are awaiting settlement. If this is, in fact, so, are we to see further requests made for this sort of allocation, or has this covered all the allocations for these individuals who are still awaiting that settlement?

I wish to also commend the Government on the issue of implementation, because I think that implementation is critical to the performance of the Government as we, the citizens and the Members of this honourable Senate seek to get value for money for the people of Trinidad and Tobago. So I must, indeed, congratulate the hon. Prime Minister on his intention to establish a monitoring and evaluation unit in the office of the Prime Minister and all ministries to evaluate the success or failure in the implementation of policy. Because for far too long we find that there is a great disconnection between policy formulation and the actual implementation of that policy to benefit the people of Trinidad and Tobago.

Under the Ministry of Agriculture, Land and Marine Resources, Head 25, sub-item 07 under, "Relief of flood drainage", relief should have been given to farmers who were affected by flooding. This transfer was moved and a lot of times we read in the newspapers and we also hear the views of farmers after we have the rain taking place, a lot of damage is done to their crops and in a lot of cases these farmers are not adequately compensated for their loss of livestock and goods that they are producing. So if we truly care about the rising food prices and inflation, I am a little concerned that these moneys were removed, especially to compensate people for flood damages and drainage.

Under the Ministry of Health, subsection 28, sub-head 04, sub-item 08 under the VSEP and health care facilities, even after a transfer of \$170,580,000, why were there still not enough beds in the San Fernando General Hospital? Is it again due to a lack of planning? I must commend the hon. Minister of Health, Sen. Jerry Narace for articulating his 100-day plan to us in this honourable Senate this evening, but, again, we hear a lot of horror stories in the health sector, where people are not given beds in the San Fernando Hospital; let us take recently the situation that occurred in the Mount Hope Maternity Hospital where, because of a lack of security, someone was able to take someone else's baby and leave the hospital. I realize that the Minister is putting systems in place to do this. What about the non-functioning of certain types of equipment, where we have had deaths, not only to babies, but also to other individuals, where proper equipment was not functioning? These are just some of my comments under some of the headings.

I would also like to make a very pertinent point, that our economy is strong, but attention must be given to our global competitive index and our continued decline in the world rankings. I have here table four, which is a copy of the global competitive index rankings for 2006 to 2008 and from what we are seeing here, Trinidad and Tobago has fallen in this index, from a ranking of 78 to 84. What this simply means is that we are on the decline and in terms of being attractive to foreign investors, we are, in fact, falling in rank.

I would also like to mention that the United States has entered an economic recession. In planning for fiscal 2008/2009, I think the Government must take into account this new scenario and adjust by increasing the amounts in the Heritage and Stabilization Fund, again, trying to avoid too much spending which, I think, should be monitored.

Again, I want to reiterate the great disconnection between facilities that are available and policies that are articulated in both Houses; Government formulation policies that are not accessible to the citizens of this country. If I might suggest, a citizen advisory bureau be placed in all major towns and cities so that these services can be accessible to the people of this country so that they will know not only what is accessible to them but how they can benefit from the oil dollars and the oil windfall that is taking place right now in Trinidad and Tobago.

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

**Mr. President:** Hon. Senators, I would like to congratulate Sen. Merhair on her maiden contribution. [*Desk thumping*]

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. President, having regard to the time I shall try to be brief. I would like to thank the Senators, the Independents in particular, for some very pointed remarks and very pointed comments, and some suggestions for improvement. Consistent was always the theme of value for money and efficiency, a point with which we identify. I take some of the points made by Sen. Ramkhelawan with respect to the amendments to the Central Bank legislation and other areas in terms of the capital market, and when next we have discussions with the Central Bank we shall surely deal with some of those points.

**12.45 a.m.**

In turning to some of the comments which were made by the Opposition Senators, I was confused sometimes by “Twirly” and “Twisty” separated by Sen. Dr. Nanan. We talked about intellectual bankruptcy but at the same time, we had a Senator seeking inspiration for a psychic in relation to food prices. The one

*Finance (2007) Bill*  
[SEN. THE HON. M. BROWNE]

*Tuesday, January 22, 2008*

positive comment in all that in relation to the debate which took place last Friday was food prices. I noted that the prices noted by the hon. Senator dropped considerably from the prices mentioned in the other place on Friday. He was still far off the mark. Every time I go to the Central Market—it was most discomfoting to hear the prices that he was paying—the prices that I experience are considerably less. Happily, the comments between the two opposition points reflected the change in the rate of inflation. It is downwards.

I was also confused by “Twirly” and “Twisty”. One said that unemployment was high and the other said that the economy was at full capacity and therefore, we were stretched. He noted that high inflation reflected the changes in government expenditure, where the Central Bank says clearly, that the last six months have also seen an unprecedented increase in food prices mainly in wheat, corn, vegetables and dairy resulting from poor weather conditions in the major producing countries. There is a strong demand from China and the diversion of supplies. In other words, the problem of inflation is a worldwide food problem. Something that I agree completely with the Opposition on, is that we must produce more food. The Government cannot do everything. People must grow more food and plans are in train to make land available for that particular purpose. Inflation is also an economic incentive. It sends a message and a signal to which the farmers have to respond.

I also take the point that inflation has an impact on pensions. The Government is mindful of that and has made changes which have had an impact. The rate of inflation has dropped from 10 per cent to below 8 per cent. That is to be noted and there is more work to be done in that regard.

I was a little confused with the different approaches to the youth. Sen. Mark said that he was confused about the youths. He did not consider them having a good future and wonders how they will make out, whilst on the other hand, Sen. Dr. Charles pointed out that we need to invest more and spend more money. Consistent with all that was the argument that we are spending too much, then, we were not spending enough. It sounds as “damned if you do and damned if you don’t”.

When you look at the numbers they are very clear. The real gross domestic product (GDP) numbers scrubbed off inflation show 7.9 per cent growth in 2004; 14.4 per cent in 2003; 9 per cent in 2004; 12 per cent in 2006 and 6 per cent in 2007. The direction is right. The economy is responding in the fashion in which it needs. We talked about the need to create capacity.

Sen. Lezama reminded us very clearly about the growth in tertiary education and the number of people who are attending. The Government expenditure is about creating capacity. That is the reason there are Youth Training and Employment Partnership Programme (YTEPP); Youth Apprenticeship Programme in Agriculture (YAPA); Government Assistance for Tuition Expenses (GATE); Multi-Sector Skills Training (MuST); Helping You Prepare for Employment (HYPE); the export centres. It is about creating people skills and where the incentives are. It is about the changes in the University of Trinidad and Tobago (UTT); College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT) and the University of the West Indies (UWI), all experiencing record levels of enrolment. Why? To put new skills into the economy so that they could respond to the changes and the youth would be equipped to deal with some of the difficulties that they are experiencing and the future. Real GDP is growing.

“Unemployment is high and then we have over capacity.” It is either one or the other. I am not certain what the Senator meant. Where we stand the numbers say quite clearly that unemployment is down. [*Interruption*] Yes, I know that it is bogus. We are talking about budget surpluses in 2007, 2006, 2005, 2004, 2003 and we continue along those lines. All the numbers are moving in the right direction, including inflation and employment. We heard talk about mismanagement, intellectual bankruptcy and fiscal irresponsibility.

We approach the Senate to approve \$1.1 billion. That was said to be too high and that we were irresponsible. It is approximately 2 per cent of revenue. If we look back in the past at your record, you went as high as 13 per cent and 12 per cent of revenue. [*Interruption*] Yes, I know. By the same token, we are talking about capacity creation. We are creating capacity through all the social programmes. We are improving housing.

You talked about tourism. Where are the two new hotels being built? When last was this done? We talk about responsibility, the public debt by all measures is declining as a percentage of GDP. The international benchmark is at 50 per cent. Where are we? Declining from 37 per cent to 30 per cent in 2006 and 28.3 per cent in 2007.

At \$6.4 billion the foreign reserves are at the highest level ever. The numbers are trending in the right direction. We heard talk about the banking sector and the abandonment of the management of foreign reserves and the fact that we were manipulating the exchange rate. The graft before me is consistent from 1992 and 1993 to 2007. It is a flat line which means that the rate has been

*Finance (2007) Bill*  
[SEN. THE HON. M. BROWNE]

*Tuesday, January 22, 2008*

constant with very little change. All the numbers are in the right direction. We have done the right things and expended money on the right social programmes. All things are as they need to be and as they should be at this stage of the game.

Thank you.

*Question put and agreed to.*

*Bill accordingly read a second time.*

**Sen. The Hon. M. Browne:** Mr. President, in accordance with Standing Order 63, I beg to move that the Bill not be committed to a committee of the whole Senate.

*Question put and agreed to.*

*Question put and agreed to, That the Bill be now read a third time and passed.*

*Bill accordingly read the third time and passed.*

#### ADJOURNMENT

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. President, I beg to move that the Senate do now adjourn to Tuesday, January 29, 2008 at 1.30 p.m. The matter to be discussed would be Private Business.

I also want to advise that in accordance with Standing Order 11(1), the Motion on the Adjournment would be taken at the next sitting.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 12.57 a.m.*