

Leave of Absence

Thursday, September 23, 2010

SENATE

Thursday, September 23, 2010

The Senate met at 1.31 p.m.

PRAYERS

[MADAM VICE-PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Madam Vice-President: Hon. Senators, I have granted leave of absence to Sen. Dr. Rolph Balgobin from today's sitting.

**JOINT SELECT COMMITTEES
(APPOINTMENT OF)**

Madam Vice-President: Hon. Senators, I have received the following correspondence from the Speaker of the House of Representatives:

“Appointment of Members to Statutory Joint Select Committees

At a sitting held on Friday September 17, 2010, the House of Representatives, by resolution, made the following appointments to Statutory Joint Select Committees.

1. The Public Accounts Committee:

Dr. Rupert Griffith, MP

Ms. Ramona Ramdial, MP

Mr. Anil Roberts, MP

Mr. Colm Imbert, MP

Ms. Donna Cox, MP.

2. The Public Accounts (Enterprises) Committee:

Mr. Rudranath Indarsingh, MP

Mr. Errol McLeod, MP

Mr. Herbert Volney, MP

Mr. Colm Imbert, MP

Dr. Keith Rowley, MP.

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3. The Joint Select Committee established to inquire into and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commissions) on their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Mrs. Vernella Alleyne-Toppin, MP

Mr. Rodger Samuel, MP

Mr. Chandresh Sharma, MP

Mr. Prakash Ramadhar, MP

Ms. Marlene McDonald, MP

Mrs. Joanne Thomas, MP.

4. The Joint Select Committee established to inquire into and report to Parliament on Ministries with responsibility for the business set out in the Schedule as Group I, and on the Statutory Authorities and State Enterprises falling under their purview, with regard to their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Mrs. Carolyn Seepersad-Bachan, MP

Dr. Delmon Baker, MP

Mr. Jairam Seemungal, MP

Ms. Stacy Roopnarine, MP

Dr. Amery Browne, MP

Mrs. Patricia McIntosh, MP.

5. The Joint Select Committee established to inquire into and report to Parliament on Ministries with responsibility for the business set out in the Schedule as Group II, and on the Statutory Authorities and State Enterprises falling under their purview, with regard to their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Dr. Tim Gopeesingh, MP
Mr. Clifton De Coteau, MP
Mr. Collin Partap, MP
Dr. Lincoln Douglas, MP
Mr. Fitzgerald Jeffrey, MP
Ms. Alicia Hospedales, MP.”

Accordingly, this matter has been brought to the attention of the Senate.

“Respectfully
Wade Mark”

MATTER OF PRIVILEGE

Madam Vice-President: Members of Parliament, a matter of privilege was brought to my attention. Unfortunately it was brought at 1.25—I received it at 1.25 and did not have sufficient time to look at this matter. It was brought by Sen. Fitzgerald Hinds and so we will rule on this matter at a later time—represented by Sen. Faris Al-Rawi. [*Pause*] All right, I will have a chance to look at it in much more detail and then decide later on. Thank you.

CCN TV6 NEWS ITEM

Madam Vice-President: Hon. Senators, I wish to clarify a statement on a matter that is of grave concern, before we recommence our debate on the budget. It was drawn to my attention that CCN TV6 carried a news item concerning a statement I made at the commencement of yesterday’s sitting. The story indicated that I had admitted to misleading this honourable House. The news story was based on my attempt to clarify the actual words used by the hon. Leader of the Opposition. At the material time, the transcript available from *Hansard* quoted Dr. Rowley as saying, and I quote again:

“On this explanation the Minister of Education has a laptop for you. He thinks you are a duncy-head first formers.”

According to Standing Orders 41 to 43, I rose to guide Sen. Hinds to quote accurately as the unrevised edition of *Hansard* he was purporting to quote verbatim, the same as the copy in front of me, contained these exact words, that is to say, the reference was to “first formers” in the plural not in the singular. Sen. Hinds did not, at that time, protest my clarification because we both had the same unrevised edition of the *Hansard*. He was, therefore, misreading the document before him.

CCN TV6 News Item
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That edition of the *Hansard* that was being quoted by Sen. Hinds, the copy I had in my possession, dated September 14, 2010 clearly indicated reference to “first formers”. I would have neglected my duty as Acting President of this honourable House if I did not correct him to protect the integrity of the *Hansard* of this honourable Parliament.

In light of the subsequent controversy, I decided further to listen to the live recording of Dr. Rowley’s speech and his contribution in the budget debate. Having done so, I was satisfied that the offensive phrase used was “duncy-head first former”. In light of this, I thought it best to clarify the issue of this wording and set the record straight and did so at yesterday’s sitting. At no time did I admit to misleading this honourable House and the news item on CCN TV6 is therefore either an unfortunate mistake or overenthusiastic reporting. Unfortunately, it tended to bring the Chair into disrepute by making a most serious allegation in circumstances where it was both unjustified and unwarranted.

In the circumstances, I wish to encourage the media to take greater care in the reporting of this honourable House and all its Members. I have chosen at this time to treat this report as a mistake as opposed to an intentional misrepresentation and shall content myself with issuing this statement to the media, Members of this Chamber and to the public. I trust that greater care would be taken in the reporting of proceedings of this honourable House by all media houses in the future. I thank you.

APPROPRIATION (FINANCIAL YEAR 2011) BILL
[Fourth Day]

Order read for resuming adjourned debate on question [September 20, 2010]:

That the Bill be now read a second time.

Question again proposed.

Madam Vice-President: The debate on the following Bill which was in progress when the Senate adjourned on Wednesday, September 22, 2010 will be resumed. A Bill entitled, “An Act to provide for the service of Trinidad and Tobago for the financial year ending 30th September, 2011.”

A list of those who spoke on Monday, September 20, 2010—the hon. Winston Dookeran, Member of Parliament, Minister of Finance, mover of the motion; Sen. Dr. Lester Henry; Sen. Subhas Ramkhelawan; Sen. the Hon. Mary King; Sen. Dr. Victor Wheeler; Sen. the Hon. Therese Baptiste-Cornelis; Sen. Helen Drayton; Sen. the Hon. Emmanuel George; Sen. Faris Al-Rawi; Sen. Danny Maharaj and Sen. Shane Mohammed.

On Tuesday September 21, 2010 those who spoke—the hon. Carolyn Seepersad-Bachan; Sen. Dr. Rolph Balgobin; Sen. Fitzgerald Hinds; Sen. Dr. James Armstrong; hon. Errol Mc Leod, Acting Prime Minister; Sen. Elton Prescott, SC; Sen. David Abdulah and Sen. Ravi Ratiram.

Yesterday's sitting, Wednesday, September 22, those who spoke include Sen. the Hon. Fazal Karim; Sen. Basharat Ali; Sen. the Hon. Anand Ramlogan; Sen. Shamfa Cudjoe; Sen. the Hon. Vasant Bharath; Sen. Prof. Harold Ramkissoon; Sen. Embau Moheni; Sen. Kevin Ramnarine and Sen. the Hon. Rudrawatee Nan Ramgoolam. All Members wishing to join the debate may do so at this time.

Sen. Corinne Baptiste-Mc Knight: [*Desk thumping*] I thank you, Madam Vice-President, for the privilege of being allowed to intervene in this debate. Let me start by congratulating the hon. Minister of Finance on his budget and also congratulating all the Members on the Government Bench who justified, clarified and explained the impact of this budget on their respective portfolios or areas of special interest.

1.45 p.m.

I also wish to pronounce a debt of gratitude to the Members of both Houses who have contributed to this debate so far, because their contributions have assisted me in appreciating this budget.

Madam Vice-President, there is a lot in this budget that is very positive; however, I find that the sound byte that, to my mind, encapsulates this budget best emanated from a colleague on the other side, Sen. Abdulah, where he said, "This budget is not perfect". Among the positives that I note are the many policies and projects which are being continued from former years.

I note this with a little amusement, because some Members of the Government Bench, in their former incarnation as an irreverent Opposition, rejected and objected to many of these same policies which they have now adopted. I applaud this, because it shows that there has been some mature consideration given to these very policies which can now be carried forward, and it shows that what is important is what is good for the country as opposed to what makes a good political sound byte.

Madam Vice-President, this budget says to me that the Government appreciates that development is a hard thing; and more so, that trying to implement and develop policies in the context of campaign rhetoric and promises is even more difficult to do.

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A glaring casualty of this is the property tax. Now, all along the campaign trail, this property tax was presented as an innovation of the PNM Government, but Madam Vice-President, I seem to recall that in researching the property tax in the last session of the Parliament, this is something that was actually started in the NAR administration. I seem to recall that some of the personalities now involved in condemning it were part of that administration. Obviously, all that meant is Government's current inability to adopt a measure that is obviously necessary. The result is that facing deficit conditions, the country is denied revenue.

I think particularly the local government authorities are going to feel the pinch. There are actually going to be warm bodies in local government offices who would normally be involved in this matter of tax collection, and I am wondering whether, in light of the fact that we have heard over the years that they are all short-staffed, these people will now just be transferred to other duties until such time as the property tax reappears; because reappear, it will.

The mantra, "No property tax", which, on the campaign trail, had no expiry date, already in this budget, we see that it has an expiry date of 2012. Okay? Madam Vice-President, I suspect that this is one instance in which the Government does not recognize that the citizenry is not "duncy". People know that they will eventually have to pay property tax.

And then, there is the saga of the Revenue Authority. The fact that the Minister of Finance is attempting to raise a couple billion dollars via income tax amnesty, with no mention of the Revenue Authority, causes me concern. Let me explain why.

Again, in preparation for the debate at the end of the last session on the Revenue Authority, I learned that 70 per cent of the national revenue is derived from customs, not income tax. And the Deane Report, to which I assume the hon. Minister of Finance now has access, lays out the situation very clearly. If we are ever to get our revenue house in order, we have to pay serious attention to how we treat with Customs and Inland Revenue.

Now, Customs and Inland Revenue can almost be considered a Siamese baby—they are joined at the hip—because the two together account for the bulk of the revenue. And what is the current situation? The current situation is that with respect to the regulations, there is no standard interpretation. And what is the result of this lack of standardization of the interpretation? The fact that one customs officer interprets the treatment of data CDs for computers as plastic and, therefore, chargeable—duties chargeable—and another one says, it is computer

thingamajigs, and, therefore, no tax. Two people receiving this conflicting advice meet, and they call corruption, because one person is charging you duty, and another one is charging you no duty. Neither of them, really, is at fault, because there is no standard interpretation governing this matter.

The existing legal framework that covers both Customs and Board of Inland Revenue creates difficulties for both of these entities to collaborate. The result is that there are problems when Customs takes value added tax (VAT) problems to the Court, because they cannot have access to the Board of Inland Revenue information. Apart from that, both suffer from obsolete IT systems. We need a tax court.

The only means of getting adequate consultation between these two is to put them together. Now, campaign rhetoric is one thing. But I think that when the people decide to give you a job to do, you have to trust their instincts that they want the job done; and all it takes is to explain to them. Another part of this, we have a government campus standing up there. We have not heard anything about what is going to happen; when are the buildings going to be ready for occupation.

Customs is a part of this. Since the 1970s when the bond burned down, Customs has been housed in all sorts of buildings that are not even OSHA compliant. This is an opportunity to correct all of these things and we hear absolutely nothing about it.

A simple suggestion. Trust the instincts of the population and do something about the Revenue Authority. The legal framework is there. It is not perfect, but there is an opportunity to amend it and get it on the books and really deal with your revenue problem. But, since the date—the expiry date—on property tax has been shifted, I live in hope that the implementation of the Revenue Authority will similarly come on board.

Madam Vice-President, in looking at the budget, I could not help thinking that it betrays some of the difficulties that the Partnership may have experienced in reconciling the competing interests of its constituent parts. Now, there is the NJAC with a very strong social agenda. Make no mistake about it. What many people associate with NJAC is the social activism of 1970 that radically changed the social and economic face of this country.

2.00 p.m.

Madam Vice-President, prior to 1970, bright, bright people looking like me did not get jobs in banks; did not get jobs at BWIA; 1970 changed that, and even

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though NJAC was considered to be sort of in political limbo, because nobody heard very much about them, they continued to work at that grass roots level. I can see some of their concerns reflected in this budget; that is a good thing.

The Movement for Social Justice is a labour agenda, but I do not see their agenda in the budget. I heard it in the substantive Minister's contribution in the Lower House where there was mention of a \$12.50 an hour minimum wage, but that is not in the budget. The Acting Prime Minister came to this House and did not talk about a \$12.50 minimum wage. He spoke about getting together all the various stakeholders and parties and discussing a new minimum wage; then he said something very confusing for a labour person: The Unemployment Relief Programme (URP) must change.

I listened to the hon. Minister of Food Production, Land and Marine Affairs and I got the uneasy feeling that a URP person must become a sort of indentured agricultural worker. I am confused. I am no incarnation of Einstein, but I am pretty sure that there are other people out there confused as well. What exactly is the plan for URP? These people are not agricultural workers, to tell me that they cannot work in the URP if they are over 65 years and getting government pension—hello, the regulations say that if you are earning more than a certain amount you cannot get \$3,000 pension. Do you understand why I am so confused? Perhaps I listen too carefully. Let us move on to the other constituent parts of this People's Partnership.

The COP stands for innovation, business and economic sense with some political aspirations, and we see all that reflected in the budget; the TOP, a Tobago agenda, which would otherwise have been missing. But one gets the impression that there is a sensitivity problem as it touches the Tobago House of Assembly (THA), which, perhaps, just being a lover of Tobago, I do not understand; so “ah” not getting into that one. Then there is the major partner, the UNC, which has been the government in waiting and which everybody expected was totally seized of all the problems, because they have been involved in them over the years, mainly objecting to them, apparently not studying them too closely.

The result of all this, is that we have an amalgam of programmes, some new and innovative. But do you know what worries me? Whether they are new or continuing programmes, the prescriptions for implementing them remain the same. In May and then again in July, I was asked to vote for change. Where is the change? Let me explain why I have a problem with the lack of change.

The documentation: the orange book, the burgundy book and the yellow books, all the other pretty bits of paper and the intervention of the hon. Minister

of Public Utilities, all recognized the fact that the salient problem with distribution of potable water is leaky distribution systems. Is this a priority in this budget? No, there is some attention given to it. But you give more attention—*[Interruption]*—I can only explain what I understand from this document—to winning more water than to losing distribution; *déjà vu*.

Shipbuilding is being proposed and has been proposed before, as a possible niche export market. Brilliant idea, because we have the geographic location and there is a thriving industry. But if we are going to promote this, where in the rest of the budget is there provision for training the youths who must come into this, to expand it? Is it going to be at the University of Trinidad and Tobago (UTT)? I know that UTT has some programmes in the area of shipping; I do not know about shipbuilding, this is why I am asking. MIC, MuST, where is it? Where are the arrangements for the relevant CVQs that would allow these persons to be recognized as technicians in shipbuilding? If it is there, you can pass me a little note, if it is not, just take a note.

Steelpan exports are going to be a big thing. I am not an expert on the steelpan, but I get the impression that most every pan now that is not a G-pan is chromed, but in the orange book it says that the chroming factory is under review. You are reviewing that, but you say that we are going to be exporting steelpanns to Asia, South America and Africa. Has anybody considered that the industry, as it stands now, has not been able to produce sufficient steelpanns for the Ministry of Education Pan in School project? They are years behind in delivering pans for the local industry. You are revising the idea of a chroming facility and, at the same time, telling me that you are going to export pans? Come on! Is this another example of not giving people credit for a little sense? It does not compute.

Here is another one that I remember complaining about last year: The Ministry of Education has a proposal for teacher training in performance assessment, mentoring and pedagogical skills. Now, colleagues, currently, the training of teachers is happening at three different tertiary institutions. I imagine the first of this batch would either have come out this year or be coming out next year. Is last year and this year the time to decide what kind of training these people must have? If people coming out of these three institutions do not know about performance assessment, mentoring and they do not have pedagogical skills, are they trained? If so, in what? If you wanted to suggest to me that within a year or two years of graduation, these graduates would be evaluated to see how they are implementing these areas of training, it makes a little more sense. We have got to change the rhetoric.

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Madam Vice-President, the Ministry of Health says that this budget takes a transformational approach. That approach to me would have meant provision for, at least, one well equipped surgical unit that could accommodate people like Prof. Fredericks, I believe, from Howard University, who has been dying to come down here. This is a Trini in the diaspora, well qualified, a well respected surgeon, who is dying to come down here and perform new surgical techniques, on condition that he could train Trinis here to do that. I think that would be transformational; provide the facilities so that you could get this training. I am going to come to the matter of problems with training later. I do not see anything which gives me the impression that something like that could be accommodated in the budget.

I would also expect, as I begged last year, that you would put a linear accelerator in St. James and San Fernando to deal with the demand of cancer patients right now, until the Mount Hope facility materializes. I still insist that more than one government facility for radiation for cancer is not excessive. We have five stadia and no government facility for radiation; not good enough. That is the kind of transformation that I want to see.

2.15 p.m.

I like the idea of the wellness zones and I would only ask one question: Is the Ministry of Sport and Youth Affairs involved in this at all? Because if you are going to be encouraging people to be active, to exercise as a part of their wellness, the obvious place to get involved in this is the Ministry of Sport and Youth Affairs. I am not saying that it is not a proper concern for the Ministry of Health; get me straight; I am saying that there must be networking; there must be synergy; people must talk to each other in order to increase the common good.

Now, the Ministry of the People and Social Development proposes the formation of strategic alliances with NGOs to address complaints of child neglect. Now, this saddened me. Do you know why? Because the only mention of the Children's Authority that I could remember seeing is that two buildings are going to be equipped on Wrightson Road for them to occupy. But we are supposed to be moving away from the concept of providing buildings. Offices have to be housed. But you are not going to tell me that the only thing that is of paramount importance for the Children's Authority is to equip the buildings, and you are going to talk about dealing with NGOs to address complaints of child neglect. So what is the Authority doing about child neglect? Does it have a role? I thought it did.

I think it was in the budget speech itself where the hon. Minister says that four trauma centres are going to be established under the aegis of the Association of Psychologists. Now tell me, you have one single, solitary, a lone clinical psychologist in the Ministry of Education for their education support programme and you are going to create four trauma clinics which will have nothing to do with the Children's Authority and you put the Association of Psychologists in charge. Madness!

Hon. Dookeran: Association.

Sen. C. Baptiste-Mc Knight: Pardon me?

Hon. Dookeran: Association.

Sen. C. Baptiste-Mc Knight: Association? Yes.

Hon. Dookeran: Not in charge.

Sen. C. Baptiste-Mc Knight: Oh, they will be associated with the clinics? So who is going to be in charge of the clinics? Are they coming under the aegis of the Children's Authority? Okay. Well, you see, it is a matter of communication, which I will also get to later.

I note with some cheer that facilities for the differently abled are going to be established. Let me put in a plea here. Government has Government programmes that inform the people of various aspects of things that are available for the public good, but I have noticed that the hearing challenged, I believe they are called now—it used to be deaf in my day—would have a problem. Because on none of these programmes do you have sign language translation. To my mind, it would be very simple to make it a law; make it a rule that no Government television programme can be aired unless there is sign language interpretation with it. All you need is a little cameo at the bottom. [*Desk thumping*] It is not going to be that expensive because you do it when you are making the programmes. It is not as if you have got to pay for it every time it is aired. No, not good enough. We are supposed to be smart.

Further, facilities for physically challenged people: I had a very inspirational opportunity afforded me by the Parliament to go to Kenya to the conference. And do you know the thing that struck me first when I went into their conference centre, and I smiled? Because I thought to myself, under normal conditions the average Trini would come down here and feel superior to these Third World people. But, you know, I got into that conference centre, many stories high, and you know there were lifts that were wide enough to accommodate wheelchairs;

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there were staircases, but on every floor there were wide ramps moving you from one floor to another. I said to myself, "amazing".

At the time of establishing that building, thought was given to ensure that everybody could have access to it; puts us to shame. There is not one building that we have in this country that provides that. As a matter of fact, the Hall of Justice next door now has to be provisioned for handicapped people. And you want to tell me why that is so ridiculous? It was actually built and commissioned in the International Year of the Handicapped. Yep. Check it out.

But I think that perhaps we could take another decision, that no new government construction will be without ramps to accommodate the physically challenged. A handicapped child could come first in SEA and unless the school is prepared to put every class that that child is in, on the ground floor, there is a problem. Somebody has to be there to tote the child up and down. No. We have got to be a little more sensitive.

I want to move on to the Ministry of Sport and Youth Affairs, which will sensitize youth on the environment and the effects of global warming under the aegis of the National Youth Council. Hello! Does anybody listen? There has been a Sandwatch Project being run under the UNESCO ASPnet Schools Programmes that has been doing exactly this. There are schools in Tobago, north, south and the whole thing is spearheaded by a teacher in Mayaro. This is a project that has requested certain assistance from the Ministry of the Environment; it is a project that is known to the Ministry of Education and is assisted by the Ministry of Education, and yet, in an innovative budget I see that the Ministry of Sport and Youth Affairs is going to introduce this to the youth. We have got to start networking with each other, but we will talk about that later.

Since I am on the subject of UNESCO, I noticed, with some glee that the National Commission got a little increase in its appropriations and I wondered whether this may have had anything to do with the fact that during this period we would be celebrating 40 years of our association with UNESCO. Now, this is a UN agency from which we have profited mightily. Yappolo, a little science project, is now our National Science Centre. Gayelle has its roots in Banyan, another UNESCO project; the Maritime Institute has its genesis in a UNESCO project; Radio Toco, internationally acclaimed because they have been winning prizes for the best community radio, a UNESCO project.

I do not see any real mention of UNESCO in the budget or any of the documents dealing with it, but I would like to suggest that it may be timely for us

to use the opportunity of this 40th anniversary to assess where we are with UNESCO. Have a look at how we have been behaving in terms of the conventions to which we are a party. Perhaps we might like to consider signing on to some of those that we have not yet become party to, for instance, the convention on discrimination against—what is it?—Convention against Discrimination in Education. Then there is the convention on Technical and Vocational Education, of which we are not a part. Reciprocal recognition of degrees, I think this is something that, especially now, we need to look at to see what synergies there could be between our tertiary education and Latin America, et cetera. There is the convention on cultural diversity which we are going to need to look at and sign on to if we ever ratify the EPA with the European Community. So that this might be a moment in time when we could give a little consideration to UNESCO and see where we stand with them.

I just want to ask two questions: the laptops. I understand that everything has been put in place for the smooth roll out of these laptops. I am just asking, though, what arrangements are in place for the maintenance and repair? Because even with adults—I mean, I am such a technopeasant that I need to have a computer repair person almost in-house. So I could imagine, with 11-and 12-year-olds, you need to have a facility for repair that is known. I suspect that it exists, but my plea is that it be advertised; the information be given out there so that people rest calm.

I mentioned earlier the problem in education with one clinical psychologist and I am wondering whether the best solution is to have a stakeholders meeting to discuss the problem. Now that is worse than *déjà vu*. That sort of says, nothing is going to happen. But, however, I ask a question, particularly in light of all the talk about violence in schools: What is the wisdom of removing the Servol ADP—

2.30 p.m.

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

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

Question put and agreed to.

Sen. C. Baptiste-Mc Knight: Colleagues, I thank you for your indulgence. What is the wisdom of removing the Servol Adult Development Programme from its close nexus with the Ministry of Education and putting it with the Ministry of Science, Technology and Tertiary Education? I plead with you to rethink that.

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That ADP really should be in every primary and secondary school. I know that for a fact. The first thing I did when I became an official retiree was to go to Servol and ask whether I would be allowed to train on the programme. They were gracious; they accepted me. As a retiree, it changed my life and I know the effect it has on those children who come there. I really think this is something you should look at integrating into the school curriculum; not moving it to tertiary. Put it there as well. It even exists at the YTC.

Another question: Milk is to be given to mothers in the health centres. Has anybody done a little research to find out how many of us Trinis have an allergy? A lot of us can only drink 2 per cent milk. So please do your research; talk to TIBBS and think about that. *[Interruption]* Do not tell me the people across there do not know what TIBBS is. Go Rust Street and check it out.

I want to spend a little of the rest of my time on human resource development I thank the Minister for her contribution yesterday.

Madam Vice-President, overseas training, particularly in specialist medical fields—doctors, nurses, for some of the difficult specialties, oncology, neurosurgery, these things—is becoming a very serious problem for us. I am personally aware that government-selected, government-sponsored candidates for this kind of specialist training in the United States, with all the arrangements being made by a government agency like COSTAATT, are routinely refused visas. They are not allowed to go to train. This is not somebody coming in off the street; not a private candidate; these are government-sponsored people. Somebody objected and everybody jumped down the people's throat.

That is not the only problem. The new immigration regulations that the United Kingdom will have to introduce as a result of EU regulations would make it equally difficult to get these people into UK hospitals. What strategies are the government ministries adopting to deal with this? This is something you have to get your representatives in Washington and London properly briefed about and make representations. We cannot provide the services here and if everybody has to go to Canada, they, too, will shut their doors in time.

On the matter of normal training for the public service, I might be preaching to the converted, but I note, quoting from this book *[Holds up orange book]* and some of the interventions, that the Ministry of Education needs training in the conduct of baseline surveys; the Ministry of the People and Social Development needs training to communicate with the mentally challenged clients. I am sure they are not the only ones who have this problem. They want a consultant to go to

the office and "remodel the way the staff operates". They want a consultant to do customer service training. The Ministry of Health requires institutional strengthening and building of the capabilities of the Ministry to lead the health sector and to guide and support the management of health care. They need evaluations and revision of organizational structures, decision making and approval granting procedures and development of institutional capacity. The Ministry of Trade and Industry needs strengthening of institutional infrastructure to address technical barriers to trade.

In addition to that, you can add that, throughout the service, they need tourism management, facility management, water and waste management, climate change and environmental management, energy management, application of innovative technologies; and everybody needs real communication skills.

Let me elaborate on the communication skills for a moment. I do not think that it is widely recognized that one has not communicated unless the person to whom you communicate understands exactly what you want to communicate to them.

People hear and listen against the veils of their own experience; their own emotional baggage, et cetera. So when a very erudite Third World Prime Minister gets up in front of a mixed audience of First World Aid donors and Third World Aid recipients, who are very conscious of always being criticized for misappropriation of aid; and the Third World Prime Minister says that one of his priorities for poverty eradication is assisting a few of his deserving children to have expensive surgery in First World countries, and this is expressed as priority, my experience is that what the First World people hear is: That is a priority; spending millions on sick children? How does that eradicate poverty?

We understand perfectly where this is coming from, but we do not understand what these people that we are telling it to are really hearing. What they are hearing is that our priorities are skewed. We need to be taught this at every level, from childhood right up.

There is a problem getting our civil service into this kind of mode. It is not a problem that is unique to us. The Americans dealt with that problem by establishing the Kennedy School of Government at Harvard University, the only place of its kind in the United States.

The British are now about to deal with that problem. The Oxford University has just got a grant in the initial sum of £75 million to establish a school of government, which would be akin to the Kennedy School, but tailored to their needs and to international needs.

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Is it beyond us to recognize that we have this need; that the region has this need and that we can start talking to UTT and fashioning the kind of course that would give all these areas of expertise to our people?

The Public Service Academy cannot hack it because the budget that is given to that entity cannot even provide customer service education for the whole service. We have to realize that the basic problem with our service right now is that we are operating on an antiquated establishment that does not reflect the current needs of a 21st Century; fast developing, technological, global society.

So we have to get out of the box. We can borrow the idea from the Kennedy Centre and Oxford and put down our own proper training centre. I beg you just to think about it.

Finally, I suggest to the hon. Attorney General, who has just disappeared—to assist him with his budget problem about paying senior counsels for various services, and it might be a little naive of me—if he were to convince the Cabinet that the CCJ could become our court of final instance, I think the nice language is, it might save at least the fare and the accommodation for either those who have to go to London or to come from London. Just a little old logic.

Madam Vice-President, I thank you for allowing me the opportunity to unburden. I feel much lighter and much happier because I suspect I may have contributed, if only a little levity to the proceedings.

Thank you.

Sen. Prof. Patrick Watson: Madam Vice-President, thank you for allowing me to join in this debate. If only based on the comments I have heard, some people presumed that I was party to the preparation of the statement. I am here because I would like to say how I view what this budget was intended to do. I am sure it will attain these objectives.

I begin by congratulating the Hon. Minister of Finance, here present, for what I think was an outstanding statement.

2.45 p.m.

I also want to congratulate him on his own personal presentation in the Lower House, his wrapping up in particular in the Lower House, which I thought was exceptionally well done. I want to indicate to him that we were very pleased to have him here in his own presentation and I am sure we are going to have to be thanking him again. I will not have my voice again at that time, but I am sure that he is going to do an equally good job at the end of that exercise.

I think that this budget has three principal objectives that I am going to enunciate and I am going to elaborate a little bit. I am also going to respond to some of the comments and misconceptions about the budget that I have heard, both in this Senate and the Lower House and, in a way, from the general public as well; some of which are positive and I am happy about that, because I do believe that it is an extremely positive budget.

The first objective, I would enunciate the three of them and begin detailing them, is the need to restore confidence in the economy in particular, but in the country as a whole. There is a sad lack of—certainly before this People’s Partnership Government come into office—confidence in the system. That was not helped by the events of 2008 elsewhere and here, with the events in the financial sector in particular and perhaps, more specifically the events at Clico and CL Financial. I am going to say a few words about these things. As it was told, one of the objectives is also to steady—I think it was related to the first one of restoring the confidence—and begin the turnaround of the economy, which had begun to go into decline. I think we have done so in this budget.

A third aspect—and given the fact that our People’s Partnership Government has been in office for only a very short period of time and given the fact that this third aspect, what I refer to as setting the economy on a path of long term sustainable growth and development—is based on a diversified economy. I want to elaborate on what I mean by that. I particularly want to emphasize that certainly in the short to medium term, that does not mean getting rid of oil and gas, as seems to have been an expression from some people, but we have to begin the process of bringing an end to that chronic dependence on oil and gas, which only runs us into more and more difficulty, as we have seen.

Before I could, in a way, begin with my conclusion and say that, as far as I am concerned, we have succeeded in all three aspects in this budget, I would elaborate on that. As enunciated by the Minister, in my view, this is the best that could have been done in the current circumstances, given the time we had for the preparation of the budget, but also because, as much as we needed to address pressing and grave difficulties, we had to be fiscally prudent and responsible.

The way I am going to present this and the way I am going to speak, there is always going to be this underlying threat of the need to be fiscally prudent and fiscally responsible. Because, as much as we would have wanted to do certain things, they could not be done because of the sad lack of resources that we had to do them with. I am going to address this in a little bit more detail as I go through.

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Let me say a few words about the restoration of confidence. I have no doubt in my mind, both from what I have seen and what many people have seen, that a great blow to that restoration was in fact the coming into power of the People's Partnership Government on May 24. That in itself was a major step in the right direction and I could feel it. I could sense it that the confidence of the people, the confidence overall and the confidence of the outside world began to increase. But, notwithstanding this, there were and there continue to be certain doubts.

As an economist myself, I could imagine that one of the big doubts that faced us was the doubt that people had in the financial system and in particular what was happening to Clico. Many have heard and many of us may not understand it fully, the term "systemic risk", when people are referring to what was going on in Clico. It did indeed pose a threat of systemic risk to the financial system. We inherited a situation. It was a problem that was inherited. It is not to say that we were not ready to deal with it, but it was inherited. It occurred in early 2009. For some lengthy period of time, the thing was there festering and not much was done about it and we now have to deal with it in what I consider a more or less final matter. As far as I am concerned, this budget contains a comprehensive proposal to deal with Clico's customers in a manner that I believe ought to have exceeded all expectations.

I want to begin by addressing that. We had a problem, some of which there were conflicts in it. As a Government, we are responsible for the 1.3 or so million people of this entire country, which includes the people involved who were at risk in our view, in the Clico fiasco. We had to bring comfort to that latter category and I think that we did. I am going to briefly remind this honourable Senate of what we did in the circumstances, and in fact, what we continue to do.

We cannot ignore the responsibility that we have overall, to everyone in this room, everyone in this entire nation; some of whom are listening to us today, while at the same time bringing such comfort to the Clico investors, those who invested their moneys in Clico. So, what did we do?

There was—in the first place there are 250,000 investors, let me call them that, in Clico. I do not want to use the word investor in a total sense, because of these, 90 per cent of that amount, a total of 225,000, bought into the classic insurance operations of Clico, let us call it that. And in one fell swoop, in the statement from the Minister of Finance, the 90 per cent of the investors/depositors—I want to use that word very guardedly, those who put their trust in Clico—the reassurance was given in gold, that they have absolutely no problem. Ninety per cent of that 250,000 people, a total of 225,000, have

absolutely nothing to worry about. I hope they do not understand that to mean that they do not have to continue paying their premiums, because that has to happen. They can use the Clico insurance policies which have cash surrender values associated with them, to go for loans, to go as guarantees on the acquisition of houses and other things like that. That, in my view, went a considerable way, if not the total way, in making sure that the systemic risk that was posed has been put under control.

Two hundred and twenty-five thousand people of the 250,000 people, leaving behind therefore 25,000 people who invested. Some of them, I suspect also had insurance policies, but the big concern that remains with us and seems to be a concern of people both in this Senate and outside, are the 25,000 remaining who invested in, for want of a better term, fixed deposit-type investments in Clico, all of which carried interest rates higher than market value and many of whom, over the years, did take advantage and benefited from these high interest rates. That is not a bad thing. There is no problem in that. But, at the same time, many people did not invest in these deposits.

Madam Vice-President, you will know that to every one of them having up to \$75,000 or \$75,000 or more, this Government is arranging to have \$75,000 repaid to each investor. Of course, if you only have \$60,000, you would not get \$75,000, you would get your \$60,000. But, to the extent that you had up to \$75,000, or more than \$75,000, you would be getting—We give the assurance that of the 25,000 people investing in these schemes, this repayment covers 40 per cent of the population of the remaining 25,000. It would mean that somewhere—in fact, it is more than the 40 per cent; you are talking about a little bit more than 10,000 of the 25,000 people. Let us imagine we have somewhere between 14,000 and 15,000 people remaining, a debt to whom is owed of about \$10 billion. By the way, I should mention to you that the total amount associated with these fixed deposits was \$12 billion. That is about one-quarter of the budget, if you want to look at it that way. To the extent that we are called upon to pay that, you could imagine the size of the deficit. I am going to get back to you.

Incidentally, our neighbouring country of Jamaica where Sen. Abdulah was born, had a problem, not quite dissimilar to this one, and they approached it in a way that we are not approaching it and have found themselves indebted now to the tune where their debt to GPD ratio is close to 200 per cent. It is one of the highest levels of indebtedness in the Caribbean and probably in the world and most of that debt, for the first time in the history of Jamaica or anywhere, is of domestic origin.

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We have a problem of having to deal with investments that amount to about \$12 billion. I said 40 per cent of that was dealt with by guaranteeing that \$75,000 will be paid to these people. That means we only are dealing now with about 14,000 to 15,000 depositors. What have we proposed? All kinds—I want to assure you—and the Minister of Finance whom I am sure will probably repeat later on—we are going to issue a communiqué on this matter. I want to assure the population and in particular those who are the holders of these instruments, that we are going to issue a communiqué, so that there can be no ambiguity about what is happening. Believe me, although I paid to not be in the telephone directory, my number is there and I have received many, many calls from people affected by this. They are talking to me about this.

I want to emphasize that I am extremely sympathetic to the problem, but I have to continue and I have to repeat that my business is also the business of the remaining population; 1.3 million in all. Every time I take a cent to pay those depositors, I am taking a cent from you and everybody else to pay. We must bear that in mind. We have a duty to all the people of this country. We have a duty to be fiscally responsible, fiscally prudent and not run up a massive debt as they did in our sister Caricom country of Jamaica.

So what did we propose? I am convinced that what we proposed is eminently reasonable, eminently workable and ought to be satisfactory to most, if not every Clico investor.

3.00 p.m.

I am hoping that if people are looking on and the Clico investors are looking on, I really want to make this point clear. Yes, we are going to be issuing certificates in equal tranches. So, for instance, if after we paid you, Madam Vice-President, your \$75,000 and you still have, let us say, \$100,000 remaining, if my arithmetic is right, I will be paying you \$5,000 per year over the next 20 years, which will be issued to you in the form of certificates.

So imagine that were to begin today, your first \$5,000 will become payable one year from today; the second \$5,000, two years from today, right up until 20 years from now. So, even if you wait to collect at the end of every year, you do not have to wait 20 years to collect the entire amount. You get \$5,000 one year from now; another \$5,000 and so on.

But more important than that is, we are going to be arranging with financial institutions so that they can buy from you, part or all if you wish, of what is to be given to you over 20 years. So, for instance, using the \$100,000 as an illustration

again, you could go into a bank—suppose you had those certificates today—tomorrow—we have calculated it and anybody could calculate it—that at a discount rate of about 5 per cent—I have heard bankers use the 5 per cent, so I am expecting them to use something akin to that. What they are likely to use is a set of discount rates over time, something—like you call a yield curve, but it really does not matter what it is. But suppose you were to go and cash in your entire \$100,000 tomorrow, you would immediately get somewhere around \$62,000 for your \$100,000 immediately. So what the taxpayers of this country would have done for you is, you would have received \$75,000 and the remainder, more than 60 per cent, a little more than 60 per cent of what remained. So in the end you would have received slightly more than 60 per cent.

In a situation like where I think the Attorney General pointed out to you that this is a moral authority that we are exercising in the sense that we are using our authority of being able to take money from the taxpayer—to borrow money and take that money to pay to those who invested in these schemes that I want to say a bit about.

I do not want this to sound as if we are being unnecessarily—that we are criticizing them for doing it. That is not true, because I am going to say a little on that. I have been receiving calls and you would have seen some programmes on television where people—Sen. Helen Drayton, I think she said—I do not think she is fully in favour of us doing even what we are suggesting. I am not saying that she is so harsh. I am sure she is being kind and will, at least, support us in this regard. Some people have been saying that we should not pay a cent, and I do not agree with that—by the way, not you, hon. Senator. You are certainly not so unkind. As I say, we do have a duty to see to this, but we simply cannot respond by handing over 100 per cent of the money. I would say that without fear of any contradiction.

Now, if this is being done at this point—by the way, you do not have to cash in all. You can cash in some of it. You can decide to cash in a few years ahead; you can decide to wait for some more. It is really up to the person. I am sure the financial institution that is going to be dealing with the discount window, as the financial people like to call it, will have varying recipes and suggestions that they could use.

The important point is this; you do not have to wait 20 years to collect more than 60 per cent of the moneys that are now owed to you. As I say, if you only had up to \$75,000, you get \$75,000. It is immediate. A cheque will be made to you—I am assuming a cheque would be made out to you, and you would have

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\$75,000. Anything above that would be paid back in equal tranches of one-twentieth of the amount that is outstanding. So, I want to make that abundantly clear.

We have encouraged the Ministry of Finance to issue a communiqué in this regard so that it can be seen in black and white what this thing is about, because the calls I get keep telling me I am now 60 years old and I may not live until I am 80 years old, and that is not the point. You do not have to wait until you are 80 years old, so you can go and get it. It may not be satisfactory in the sense that you are not getting back 100 per cent, but my own feeling is that given our responsibility to everyone in this country, including the Clico investors, I think we have done extremely well. [*Desk thumping*]

I should say that over the 20-year period, this is going to cost all of us \$12 billion and the immediate cost is about \$3.3 billion—\$1.5 billion for those who are getting the \$75,000 and \$1.8 billion which will go into a fund where we will begin the process of earning the money to pay the investors in the future.

We have been told and criticized for one of the biggest budgets of all time, and probably one of the biggest deficits of all time, to the extent that if that \$3.3 billion were not there, our deficits would be about \$4 billion. To the extent that we should pay more, the deficit will be larger. I cannot understand how in one breath people could be criticizing the deficit and, at the same time, telling us that we should meet these payments. The only way it could come is from borrowing.

I should point out that to the extent that Clico continues to pay interest—Clico is an insolvent company. Clico could only pay interest, because it was getting money from somewhere else. Madam Vice-President, they were getting from you, the taxpayer. That is what was happening. It was not falling from the sky. The Government does not go out, as you very well know, and shake the money tree as my mother used to say, and the Government now has stopped shaking the money tree because of that. Every time we pay a dollar to a Clico investor, the dollar comes from you and it comes from me, and we have to remember that. We have a responsibility to everybody.

At the same time, I have to ask for some empathy. I think it was my colleague, Sen. Dr. Balgobin, who mentioned the great amount of ignorance of the investor. You would not believe who invested in these things. Some people had Ph.Ds in economics like me—not me, I did not. You would not believe who invested in these schemes. They are not by any stretch of the imagination uneducated or stupid people. [*Interruption*] It turned out, Sen. Hinds, to be stupid, as I would say.

People genuinely believe—it is wrong to make the comparison with Trade Confirmers and these companies that came into being in the 1970s. Clico is a national institution. I mean, it has been with us for so long. It is an institution that was run and founded by a national person. Sen. Baptiste-Mc Knight mentioned that a person looking like her could not be a bank worker. Could you imagine a person looking like the founder of Clico founding such a powerful company and the sympathy and empathy that people would have for a company like that? People could not believe that Clico was pulling the wool over their eyes. We have to understand that. When I speak to them—people who have medical degrees—some of them believe that the Clico investments, the EFPAs were guaranteed by the Government. You would not believe the kinds of things that I have been hearing.

We have a very difficult role in all of this, because we end up trying to please everybody, and we may end up pleasing nobody, and I hope that is not true. I am asking Senators and members of the national community who are not affected by the Clico problem to have some empathy and sympathy. Many of these people, yes they may be relatively well off, but they put a lot of their money there.

In that respect, one of the things I want to make sure when we come out of this, and I am going to insist on it is—the Central Bank started a financial literacy programme two years ago, and they must intensify this programme.

I could give lesson No. 1 to anybody who wants to invest in any instrument. There are three simple rules: diversify, diversify and diversify. Your mother used to tell you, do not put all your eggs in one basket. You would not believe that the fancy mathematics that went into showing that this is true when it comes to finance, it actually earned a man a Nobel Prize in doing that. It is a simple thing; diversify and you are going to save. So you could put some money in Clico, so when you get a hit, you are not doing too badly.

A second lesson though, another Nobel Prize winning discovery is, the higher the interest rate, bet your life the higher the risk. It is actually a linear relationship. So, if you see a bank is offering 3 per cent do not come and tell me: "But Watson why yuh so foolish, you don't see somebody else offering nine. Why do I not move my money from my deposit account and put it into that?" Correspondingly, there is a monumental increase in the risk that is bearing an interest of 9 per cent. It is a simple thing. That is Murphy's Law. If something appears too good to be true, it probably is, and so you have to be extremely careful when you see people offering interest rates that do not bear any resemblance to what is going on in the market.

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I think that they were smooth-tongued investors, the kind of person you would not like to encourage around your young daughters and so on, because they speak in a way that they could convince you of anything, and people bought into these schemes and were taken in by them and it eventually turned out to be extremely—many people who put into it in the 90s they got back their matured investments, and they were so encouraged they put it back, and they put more and encouraged others to put more. So, you see, there was a belief in this thing.

I am therefore asking, notwithstanding what turned out to be stupid—everybody recognizing something stupid in the end, but it appeared to be very good—people were earning relatively high interest rates. So, I am asking for some empathy. Yes, indeed, we are going to be spending some of your money to get rid of some of the trauma of these Clico investors, but I think as a society, as a family, we owe it to them to do it.

However, I want to stand back and say—I think somebody spoke in another context about the issue of moral hazard. Economists like to talk—Lester knows the term well—about moral hazard. What is the moral hazard? I do not want, as much as I am pleading with you to support me in paying off the Clico investors in the very generous way that we propose to do it, you must not believe, Madam Vice-President, that the next time around you will take your money and put it into something like that again and come back looking for this Government to bail you out. It is not going to happen. The Minister of Finance is here to support me on that one. We must not go in that direction again. We have to be careful about that. So with the two simple rules I gave you—well four really—diversify, diversify and diversify and the other one; the higher the interest rates, "bet yuh life the higher the risk.". Okay? They go together.

3.15 p.m.

So I do not want that people should believe so. Whilst I am pleased to be part of this solution, I am not going to be pleased to be part of a solution like this again. We cannot do this too often. I want to say—

Sen. Hinds: Will you give way? I have a question.

Sen. Prof. P. Watson: Sure.

Sen. Hinds: I am not a finance expert—thank you for giving way. I am not a finance expert but some experts have estimated that if one sold these bonds it would yield not the 62 per cent that you have described but rather something more like 50 per cent. What are your thoughts on that? How do you assure those persons that it would be closer to 62 rather than 50 as some experts have expressed?

Sen. Prof. P. Watson: Thank you, Senator. May I explain? Nowadays it is very easy to do, “eh”. Go online and you look up something like a financial calculator and you treat this as what is called an annuity and you put in—take the \$100,000 and you say you have an annuity at 5 per cent—\$5,000 per year for 20 years at 5 per cent and you will see that what is called the present value of that is about \$62,000. I think Sen. Ramkhelawan is asking me to give way, so—

Sen. Ramkhelawan: Thank you for giving way. I myself am not such a financial expert but what I would say is that you are correct that at 5 per cent you might get 62 cents on the dollar, but it is hardly likely that when the demand/supply and the configuration come to the fore, you might be talking about at this point in time, where the market is at this point in time, somewhere in the vicinity of 6 to 8 per cent, and I have advised previously to investors, noted to investors, that at 6 per cent you are going to get about 50 cents on the dollar and at 8 per cent you will get 57 per cent on the dollar. But it is hardly likely, given where, as you put it, the yield curve is now, that anybody is going to buy that paper at 5 per cent; just to help in the clarification process, Madam Vice-President.

Sen. Drayton: Could I?

Sen. Prof. P. Watson: Madam, er—

Sen. Drayton: Just one quick question, just one. Just one quick—in the short term, within the next five to 10 years I could see those bonds, those IOUs, I would not say it is attractive to the intermediaries because of the difficult financial situation right now, the difficulty in the market all-round, but five to 10 years, one would say there is a reasonable opportunity in terms of getting the bonds discounted, but what are the prospects in the longer term? That is my question; and I think that is why some people have a concern with respect to the 20-year horizon vis-à-vis a 10-year, a 15-year. It is the tradability of the bonds. Banks do not like to deal in such long-term instruments, but—

Sen. Prof. P. Watson: Yes, all right. Thank you, Senators. The questions are appropriate. It is indeed true that if you have a higher discount rate you are going to get less. I hope that Sen. Ramkhelawan is not speaking on behalf of the entire financial community because I will say that—

Sen. Ramkhelawan: Some will be 10.

Sen. Prof. P. Watson: Well, we have—and I am going to make this appeal to the financial community. I am going to make, Sen. Hinds, Sen. Drayton, Sen. Ramkhelawan—I want to make this appeal to the financial community that we all

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have a duty to sort this matter out in a way that will not make—we must not exercise the “same kind ah greed”—not that boost is a greedy institution or anything like that. I would like—and we have indeed spoken to some people and I do not think that the 5 per cent over the time is an unreasonable thing.

This is an unusual situation, “eh”, and we are not dealing with the standard thing. We are trying to deal with a situation where people are finding themselves in grave difficulty. We want to avoid fallout from the system. We want to make sure that people who—some of these people are—and that is why I am asking for some empathy and I am addressing some of this demand for empathy to the financial institutions. Many of them, although probably appearing to be well off, some of them are former university lecturers and so on, they are retired people and many of them have put a lot of their savings into these instruments. I am asking, therefore, for some empathy in this regard. So it is going to be not in the normal kind of thing. I hope that the financial institutions exercise some moral judgment in this regard and not function in the normal way as if they are trying to maximize their profits.

Madam Vice-President, do I get back some of this time? I am not too sure. Anyway, I want to proceed. My learned colleague, Sen. Henry, raised the problem that—citing the *Trinidad Guardian* on the issue as to whether it is really the Central Bank’s responsibility. I first want to admonish him. We come from a profession where citing the *Sunday Guardian Editorial* is not acceptable. That is not true, but I do understand the concern. I have raised it and I do not have the response to give him, although I think he should tell me as well, given his own training and experience in the matter. I do not think, though, from what I have heard, that the Central Bank is right or—sorry, the *Sunday Guardian* is right. It is at best ambiguous at this point in time, but we are proceeding as has been enunciated.

I want to also make some people—and this talk has come up about selling the assets of CL Financial in order to make some of the payments. Unlike the previous administration, we have no problem with selling these assets as a principle. What we will not do is rush into a fire sale, all right, because you are dealing with a company, let us say Clico—we are talking of the whole of CL Financial, many of whose assets are toxic—that is a word people like to use—so you are not going to get anything for them anyway.

In the case of Clico, based on the balance sheet, if you were to buy it on the basis of their net capital, they have a negative net capital, they are insolvent, so they should really pay me to take Clico. I mean, you know that is not going—that

is not how it is going to happen. On page 9 of this document, the Budget Speech, the hon. Minister of Finance did point out that one of the things they are to do with Clico generally, is, we are going to:

“Stop the drift and indecision;

Bring order to CLICO and British American within the confines of fiscal responsibility;”

Our fiscal responsibility, and:

“Take immediate action that can drive recovery in a prudent and structured manner.”

What we are then going to do is try to obtain the best price for the—and I want to assure the depositors that to the extent we get enough money from selling Clico and any of the—if it is possible, but remember, if we get that money they can also benefit from it, but in the meanwhile there is a mounting debt to you, Madam Vice-President in the sense that \$7.7 billion already went into Clico, some of which I presume was being used to pay the interest and so on to some of the investors, and now a further \$3.3 billion has gone into it, and over the 20-year period it will amount to a further \$12 billion. So I have to say that the taxpayer must also recuperate and recover his money in all of this.

We have to be fair to everybody. To the extent that once that is recovered we could make some payments to the remaining depositors, I have no doubt in my mind, I will certainly encourage it, but the surest thing you have on your plate so far is what is being offered to you at this point in time. My advice to the Clico depositors, those who held the EFPA, is to take what is being offered.

We are considering and will continue to consider special cases, not necessarily within the confines of this agreement. There are, for instance, the credit unions, and some people raised the credit unions. I am not—I know the same kind of criticism and I think you specifically referred to credit unions, Sen. Drayton, that they should know better than to go into and put so much of their portfolio into this thing. The fact is, credit unions represent many people. I belong to a credit union. I suspect if you take a poll here, nearly everybody in here belongs to a credit union, and so, we are mindful of the special case of the credit unions and we have entered into discussions with them. You wanted to say something?

Sen. Drayton: Yes, just one thing. I will be very concerned—you know, under our Constitution the Government must treat us all equally. This is now in the hands of the Government [*Desk thumping*] and I will be concerned if any

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special treatment is given to credit unions whereby credit union shareholders—they are not depositors, they are shareholders, so there is the distinction—will recoup a larger percentage of their shareholder investment than any of the other depositors. You are asking for empathy over 20 years and I think constitutionally I just want to caution the Government that you will be now shooting your own empathy in the foot.

Sen. Prof. P. Watson: Thank you, Sen. Drayton. I certainly will not, or do anything that is illegal, or unconstitutional. This is just my heart talking and I am not too sure—it might be illegal, it might be unconstitutional, in which case it cannot be done. It is as simple as that, but we are thinking of it, I will not hide that from anybody, and we are empathetic as well to the—we have a special amount of empathy for them, but the point is taken that a mother cannot treat her children in different ways. But it is something that we have considered, given the special cases that we are looking at.

I want to say something about the Unit Trust because in the Lower House—I am not sure, I suspect I am paraphrasing it—the following was raised that—I want to assure that the Unit Trust fund under management has no exposure to Clico in the form of these EFPAs or any of the short-term investments to which I am referring here and, in fact, I think the—if I am not mistaken the Unit Trust has put an ad out stating this categorically. This is in particular to rebut a statement made in the Lower House. I think it was made by the hon. Member for Diego Martin North/East, Colm Imbert. If it is not him, I apologize but I think it was him, that the Unit Trust's exposure with Clico would be endangered by the proposal that we are discussing at this point in time in this honourable House.

I think we are all in the boat where we have to ensure that there is confidence restored to the financial system. I think that remarks like that are quite reckless and ought to be avoided. This is not the kind of thing on which you want to score cheap political points to say that we should pay back the entire amount of money. “If we do this the Unit Trust will go through the chute.” Those are the kinds of expressions that we are hearing. Coming from people who should know better, those are dangerous statements and likely to lead precisely to the mess that we are trying—that they are saying—that they are trying to avoid.

So let me make sure—yes, I think I have said enough on Clico, Madam Vice-President, and I want to move on now to what I call the second part of the budget thrust that I was talking about. I was talking about steadying and turning around the economy, which clearly is related to the confidence that we are going to have in the system. The various fiscal incentives in the budget, in my view, based on

the response that I am getting, they inspire confidence and they provide the wherewithal for turning the economy around.

I want to say a word about the energy sector which came under some criticism, I think. I have to insist that the energy, the hydrocarbon energy sector, because the way we intend to take this economy, you are going to have to separate and distinguish between the hydrocarbon energy sector and the non-hydrocarbon energy sector in the coming years. The hydrocarbon energy sector continues to play a vital role in this economy. I like to hear the terms that the finance people use about low hanging fruit and so on. We cannot ignore the fact that there are potential reserves available and we have to go into them.

3.30 p.m.

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

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

Question put and agreed to.

Madam Vice-President: Senator, you may continue.

Sen. Prof. P. Watson: Thank you very much, Madam Vice-President, and thanks to my colleagues on both sides of the House.

Sen. Hinds: It is a good contribution.

Sen. Prof. P. Watson: I want to say that the energy sector will continue to be with us. I consider that I still have a long time to live, and I am sure on my deathbed, it will still be the main contributor. But I have argued in many places—both in the classroom and elsewhere—that we must go to the point where in a growing economy, we must have an energy sector, a hydrocarbon sector, I should say, contributing to considerably less than the 40 to 50 per cent that it now contributes; and contribute about 20 per cent. I am going to speak about the things about diversification in the little time, but I am happy that the Energy Chamber, as they now call themselves, were happy with what we proposed.

In the case of the agricultural sector, you heard, and I think Sen. Subhas Ramkhelawan mentioned, that one of the things we must aim at is increasing the output of the agricultural sector if we want to pull that price down. He, himself—everybody here recognises that if we have an inflation rate of 14 per cent, it is because of the 30 per cent inflation rate among agricultural produce.

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The Minister, himself, said in his speech that he wants the Central Bank to keep bringing down the repo rate, which we talk about. By the way, that is a Central Bank matter. We cannot interfere with the independence of the Central Bank in terms of the repo rate. But we encourage the Central Bank to keep lowering the repo rate, because we think the other inflationary trends are not a worry to us. It is the food. Notwithstanding my colleague's criticism of what we are calling "supply side economics", we do intend to increase the supply of the agricultural sector by what we are doing; and that answers Sen. Ramkhelawan's concern.

With respect to greenhouses, we are improving the technology, lowering the interest rates in the Agricultural Development Bank. All of that is an intention to make life easier for the agricultural sector. And by the way, in the People's Partnership document—I hope I am not misquoting it, but for those who do not know, the agricultural sector contributes less than 1 per cent to the GDP—*[Interruption]* 0.6. And over the next five years, we hope to bring it up to about 3 per cent. *[Desk thumping]* Which is not as much as we would like it to be, but that certainly would help by bringing down the contribution of the other sectors.

There are also good incentives for the manufacturing sector, the medium sized, and so on, people. I want to go quickly to the third part of it which, in many respects in this budget, has to be, if there is a weak part—it is not that it is weak, it is just that we are looking—we must stabilize the economy in order to put us on a path to grow; but in the meanwhile, we are getting ready and we have begun putting the basis of diversification.

Someone on the other side—I think it was Sen. Henry—talked about just talking about diversification; not saying much. At this point in time, we could say only so much, because this is a long-term thing. This budget must be seen in the context of, first, the one to three years, and then the one to five years; and then, of course, when we get a second term, one to 10 years. *[Desk thumping]* Diversification is something that we are in for the long haul. All right? We go into that for the long haul. And the little things that have been put in there which aim principally at the small businessman, the small businesspeople, that is fine.

There is one little thing in here that I have a great interest in. The \$10 million innovation financing facility. That is a very small amount, but I want to tell people how I expect this thing to work. This is a high-risk fund. People who want to go into things, who have innovative ideas—ideas that we have never heard before—bring your ideas to us; well not to the Government directly, but to those who will be responsible for the financing, and moneys will be paid out in tranches.

In the first instance, we will give you a portion of it, and very little emphasis at that point in time will be placed on the economics of your argument; because we will not know what the economics of the thing is going to be. We are taking a risk. However, as time goes on, more and more emphasis is going to be placed on the economics of it.

So, the risk is really for the first portion, and that is where it is likely to be one of the smaller portions. Ten million dollars this year is a trial. This is really a trial to see how this thing works; how we get it off the ground; how people respond to it; that it is not abused; that we begin to get results from it; and then why not \$100 million in the next budget, Madam Vice-President? We do not know. We have to wait and see.

But this is a new idea. This is something that is not the traditional thing. You cannot come to us for money to go and sell doubles. That is not an innovative idea. You have to come with something that we do not know about, and you have to explain to us how you are expected to earn money, and if you could earn foreign exchange, even better. So, we are very much interested in that.

I want to say a few little things in ending about the tax amnesty, and I want to tie it in with the budget deficit. I want to encourage all of you—all of us. I may be one of the delinquent ones; you could never tell—to pay your tax. There is \$13 billion, according to the Ministry of Finance, outstanding there. If we get that, as the Minister of Finance has said, we will not have a budget deficit. We will certainly have a smaller one. No matter what we get from it, we will have a smaller one, because these figures are not entering into this year's calculations.

I want to say that we have been fiscally responsible, notwithstanding the relatively large budget; because as I say, \$3.3 billion of that is to Clico, and we do not want to put more. I think Sen. Prof. Ramkissoon asked yesterday, why it is, notwithstanding the increasing indebtedness, we are going to get the same debt to GDP ratio. Well, we are hoping and we are anticipating that there is a growth rate of 2 per cent.

By the way, that is not going backwards, as I think Sen. Hinds said, compared to 2.5. Growth on growth is growth. All right? It is not that we are making a negative. If you have 100 this year and it goes to 102 next year, and then you get 2 per cent of that, you will be higher than 102, so you are growing. Any positive growth rate is good. Of course, we would like to go up to the bigger ones, but any growth rate. So if we are on a growth path, it means we are on positive growth, however small it might be.

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We want then—we are anticipating that the GDP—it is debt to GDP; numerator, denominator. It is a language I know he understands. So, notwithstanding the fact that the debt may increase, the denominator, the GDP, we are hoping that it increases. We are expecting it to increase, and so, we will retain the thing.

By the way, on the basis of the debt figure that again, I think Sen. Dr. Henry raised, I know in my own view, it is a trite matter, but I will explain it all the same. There are different figures for indebtedness, and we tend to quote depending on the circumstance; depending on what it is we are trying to capture. In the Review of the Economy—and I heard the former Minister of Finance making a lot of noise about it on a television programme the other day, talking about it being 38 per cent, as opposed to the Minister's figure of 49 per cent.

That figure of 38 per cent does not include the guaranteed debt of the state enterprises, which the Minister's figure includes that amount. And the figure of 60 per cent that I was quoted as saying, also includes something called the "open market operations", which is another 10 to 12 per cent. So we have the funny situation where 38, 49 and 60 are all correct, but depending on what you are talking about. I like to give lessons in arithmetic and mathematics, Professor.

All right, Madam Chair. I think, again, Sen. Dr. Henry asked about why do we not raise a greater amount than 30 per cent. Another lesson in arithmetic. The liquidity in the system is about \$2.2 billion. If you check, 30 per cent of 7.7 is about 2.2, so we might dry up all the liquidity in the system and we may even have to think about whether we could even go as high as 30 per cent.

Local borrowing, sorry. Sen. Dr. Henry questioned why we are going for 70 per cent and we should use the liquidity in the system. It is a little bit more complicated, but 30 per cent of 7.7 is about 2.2, 2.3, and so forth. Madam Chair, I think—Madam Vice-President, sorry, we are worried about the big deficit and the possibility—I have five minutes more, Madam Vice-President.?

Madam Vice-President: Yes.

Sen. Prof. P. Watson: We are worried, but we believe that the deficit—I have been on record. Even when the PNM government announced its first deficit, I was on record as saying that there is nothing wrong with a deficit. Big or small, it is what you do with it that matters. If you use a deficit to create growth, to expand the economy and make things better, next year we will naturally get surpluses.

Because the GDP, as the productive base expands, taxation expands, automatically, without increasing the rates, we get a bigger amount of revenue

and we go from deficits to balance to surplus. Okay? It is as simple as that. So I am not worried about the size. I mean, you know the old economist's concern about whether size matters or not.

The deficit is not of great concern to us if we use it well, and as far as I am concerned, what we have stated in this budget is good use—congratulations, Mr. Minister—of that budget deficit. So we want to make sure that it is used well, and we do want to stop going into deficits as soon as possible. In fact, I am hoping that by next year we start seeing the signs and we do not have to go that way again.

Madam Vice-President, I do believe I should now conclude before you throw me off. This budget was prepared in a very short space of time and cannot address all our concerns in a definitive manner. But as far as I am concerned, it has addressed the most important ones in a most definitive manner. It is clear that the process of renewal has begun. I anticipate in the coming year, and it is, in fact, stated in the budget, a growing economy, about 2 per cent, and the beginnings of a serious diversification effort; itself a guarantee for sustainable growth and development.

Thank you, Madam Vice-President.

The Minister in the Ministry of National Security (Sen. The Hon. Subhas Panday): Madam Vice-President, thank you very much. I am pleased to participate in this debate on a Bill to provide for the Service of Trinidad and Tobago for the Financial year ending September 30, 2011. Before I commence my contribution, I want to thank the Prime Minister for giving me this opportunity—it is my first speech in this session—to serve in the Senate, and to indicate that her choosing me to perform this function will not be in vain.

I also want to thank all Members who have spoken in this House in this debate, now that we are winding down, to say that not only Members on this side made valid and good contributions, but good contributions came from all sides of the House. [*Desk thumping*] And I do not want to distinguish and differentiate to say on the opposite side, which Bench was better than the other. You all know. [*Laughter*] I see Sen. Drayton smiling. Indeed, My Lady.

I also want to congratulate the hon. Minister of Finance for such a budget. When he presented the budget, he noted that the theme of this year's budget is "Facing the Issues, Turning the Economy Around", and it seems to me that Sen. Patrick Watson today put the icing on the cake in developing that idea. He placed the theme in the context, Madam Vice-President, of Government's agenda and responsibility to alleviate poverty, unemployment, social degradation in our troubled communities, and most of all, to put the economy on a growth path.

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3.45 p.m.

There are few persons who have made comments, but I have not heard a single person yet, say that the budget indeed was not a good budget. They made one or two interjections, but the majority of persons in Trinidad and Tobago, especially those who know, who have the knowledge, indicated it is a good budget. It is the first time they have seen a budget with such a plan and within the framework of the manifesto of the People's Partnership. We say congratulations to the Minister of Finance. [*Desk thumping*]

Madam Vice-President, in this budget debate, what the hon. Minister did, he placed great emphasis on the issue of crime as far as it pertains to the Ministry of National Security. It is the first time we have seen a budget for the Ministry of National Security being dissected, and it is the first time that the police have been given their own budget. It is not a pigeon peas budget—it is a Tobagonian phrase—it is a budget of \$1,484,234,300. So it is the first time that the police have been given their own budget, and the Commissioner of Police is his own accounting officer.

[SEN. PROF. PATRICK WATSON *in the Chair*]

He does not have to go to the Ministry of National Security and compete with other claims. He does not have to do that anymore.

Sometimes when he goes to the Ministry and speaks to the Permanent Secretary—Fire wants something, ODPM wants something, Prison wants something and she has to juggle. He may ask for a certain amount, she may try to do virements, but at the end of the day, he may not get it. This is not the case, he has the figure. We know that some will be recurrent expenditure, but when he works out his recurrent expenditure within his own budget, he would be able to see how much he has for development and other works. So, therefore, what this Government has done in relation to crime, by having given the Commissioner of Police his own budget, it gives him the authority to plan, and this is the change between the former regime and this regime. [*Desk thumping*]

So, when they say that we do not have plans, that we are following PNM plans, we have shown them here today by this budget that we have plans, we have put our own print on the development of the country, especially as it relates to crime. You boast about 54 years of history; 54 years of PNM rule; that this country cannot go down without PNM being mentioned. It seems to me that you were there one year, 54 times because this Government here—[*Interruption*] Yes. Let me ask you: Why have you never thought about that; does the PNM not have the

intellectual capacity? Mr. Presiding Officer, we want to congratulate the hon. Minister of Finance for such foresight as it pertains to the Ministry of National Security. [*Desk thumping*]

Some of us have said, "Oh, you must not talk about the past. You must not talk about the PNM. You are there now. Move forward." But, Mr. Presiding Officer, if you do not know your past, you cannot appreciate where you are and where you are going to and, therefore, we need to talk about it. [*Desk thumping*] The crime rates had been increasing and in 2004, the Government and the Opposition came together to deal with crime, because the PNM itself could not have dealt with crime. So a delegation of the Opposition then, met with the People's National Movement government and they decided to deal with crime. In that delegation was the hon. Winston Dookeran, Basdeo Panday and Kamla Persad-Bissessar, our Prime Minister, and they said the best way to deal with crime, or one of the major ways to deal with crime, is to put the police service on a sound footing.

They thought that you could have as many plans as you want, grandiose plans; you could throw as much money as you want behind solving crime; if you do not have an organized police service, everything will fall down. You need a competent and organized police service to carry out your plans. So, we amended the Constitution. We amended Act No. 6 of 2006, in which they changed the method of the appointment of a Commissioner of Police. Prior to that date, the appointment was basically on service, and they said, service alone may not produce the right candidate for the Commissioner of Police. So what did they do? They said, let us put somebody there on the grounds of merit, so you could put proper leadership in the police service to deal with crime.

So eventually, the Bill was passed. We supported the Government. It took one year and six months before they drafted the regulations. When they drafted the regulations, they spent about \$4 million. The Police Service Commission hired a firm called Penn State University, which interviewed persons and came up with a nomination which went to the President and then came to the Parliament. The nomination then was Stephen Williams, the now Deputy Commissioner of Police. The law was that after the President gets the nomination, the Government brings it to the Parliament by way of a Motion. Do you know what that Government did? That Government, in the Lower House, brought a Motion to appoint Stephen Williams as the Commissioner of Police and voted against it. The reason I make that point today, he is the same Stephen Williams who is Deputy Commissioner, and when Gibbs is appointed, they say they want a local. What hypocrites they are.

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We ask Dr. Rowley, we ask the PNM Senators, why did you not support the local when that time came? They said the reason they did not want him, it was not because he was not good, but because the system was flawed. Regulations that they made, they said they were flawed. They said that the pool was too small, but Minister Imbert at the time during his speech, he let the "cat out of the bag" when he said, "Williams never managed a Division." The next day they spoke about the Prime Minister interfering with the selection process. At that time we were in the Opposition, and we said that if a nomination comes from the President, we would like to get some funding so we could do a background check on the person. Do you know what they told us? They said we would not reach so far. So even before the Motion came to the Parliament, they had decided to strike down the Motion.

The question is: Crime continues to rise and they do not care. They decided to play the politics and they did not want him. Oh, he is too young. He is this, he is that. So when they felt that they could not control him because he is an independent thinker, they decided to throw him down. Mr. Presiding Officer, subsequently, they put Mr. Philbert and they did him a disservice because they gave him only short stints of six months. In the meantime, discipline in the police service fell down and the crime rate continued to rise. Eventually, however, regulations were in place and when the regulations were put in place, it threw up Mr. Gibbs and Mr. Ewatski as the Commissioner of Police and Deputy Commissioner of Police. They are telling us now, vote them out until you get a local. What the Prime Minister, hon. Kamla Persad-Bissessar said, "Look, we have spent \$8 million, in 2006; since then, we are trying to appoint a commissioner. Now it is 2010, what we have decided to do was put finality to the process"—or to put certainty to the process—"and, therefore we will go with the recommended regulations which were drafted by the PNM", and that is how we have our Commissioner of Police.

The Prime Minister has indicated, we had voted for a local at that time and in due course we will put things in place, but we had to take the bull by the horns and deal with it. It seems to me that the PNM really did not care about dealing with crime because when one looks at the legislation, one sees that Act No. 7 of 2006, gives the Commissioner of Police very wide powers. It gives the Second Division the power to hire, fire, promote, transfer and discipline. So, therefore, from police officer to inspector, the Commissioner of Police has that power. And when you had Mr. Philbert acting as acting Commissioner of Police, although the law was there, you found that discipline continued to fall in the police service, and you ask why that was so. I want to say that was an injustice that the PNM did to Mr. Philbert, in that by giving him such short extensions, what you found was a

police officer saying, "He going home just now, man. In six month time he going." So when he set up an enquiry, they think that he is going, so therefore they are not taking him on.

So although we had the law in place, the Acting Commissioner of Police could not have dealt with it. I have worked against Mr. Philbert. He is one of the best police officers I have ever met in the courts, but he could not manage the police service because of the way the PNM had him. They had him in a position of limbo. That is why, Mr. Presiding Officer—we heard about the guns in St. Joseph Police Station. Look at the number of guns they found there and the amount of ammunition. What has happened to that? It happened under the time of Mr. Philbert. What happened to the \$92,000 which was stolen from the property keeper's room at the Couva Police Station? What happened to the drugs that they found in Woodbrook? What happened to the 35 kilos of cocaine that went missing in a trial in which Justice Volney was involved? The answer was, because he had an acting appointment, Mr. Philbert could not have dealt with it. So what this Government has done instead, this Government has decided that it is going to follow the recommendations of the Police Service Commission and attempt to deal with it.

Now the PNM is attempting to create a tension and you hear all over, that this man may be as good as he wants, but he cannot survive because police officers will not support him. They are spreading that rumour, and I think that it is necessary that we read into the records the functions of the police commissioner, and it says:

"This Police Commissioner shall have the complete power to manage the police service as required, to ensure that the human and financial and mature resources available to the service are used in an efficient and effective manner."

Now, when you look at this and you look at the budget, you will see that the budget presentation fits into this. They say you have to manage the service in an effective and efficient manner, so we give him the money to do it.

4.00 p.m.

Mr. Presiding Officer, it says:

- "The Commissioner of Police shall have the power to appoint persons to hold or act in any office in the police service other than the Deputy Commissioner; including the power:

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- To make appointments on promotion and to confirm appointments;
- To transfer any police officer;
- To remove from office any police officer and exercise disciplinary control over police officers other than the Deputy Commissioner.”

We have put a commissioner there to manage the police service.

In the budget presentation, you heard the hon. Minister speak on page 13 about rogue officers in the police service. We have given the police commissioner all the power and resources to deal with those issues. We are certain that having regard to the high crime rate in the country, that all police officers would be motivated to see what has happened and we will not have those problems.

[MADAM VICE-PRESIDENT *in the Chair*]

There is a wind of change blowing across the country and the appointment of the police commissioner is part of that wind of change. We are also certain that the officers under the purview of the Commissioner of Police will give him their support and ensure that the lower ranked officers perform their duties, and we will not have any problems.

I cannot go into the contract of the Commissioner of Police, but yesterday when he was presented to the people, he said that, “If I do not perform, I know that you will not want me.” In those circumstances, we are certain that he knows what his functions are and the other police officers will follow suit.

We have dealt with that issue of morale in the police service. This Commissioner of Police comes without any baggage and we are certain that the allegations which police officers have made will not stick on him.

What about the officers in the First Division, from ASP straight up? The law says that the police commissioner has to make a report to the Police Service Commission on a timely basis. I think once every six months he has to report to the Police Service Commission and it will assist him in managing the police service.

Madam Vice-President, we have done our part; we have put everything in place to ensure that we deal with the issue of certainty in the police service. The Prime Minister of this country must be commended for taking the bold decision to appoint a police commissioner to deal with the issue. [*Desk thumping*] You ask us what we have done since we came into Government to deal with crime. That is

the most fundamental and important thing we have done since we came into Government, and that was done within 120 days.

We have been sending a serious message to the criminals that we are going to be firm in dealing with crime. As a result of that, as the hon. Attorney General indicated yesterday, we have introduced gang legislation. When we came into office we got information that gangs had increased from 86 to 110 or 112, so the gangs have continued to increase while the previous government failed to put in place a proper functioning police service. So we have put the Commissioner of Police in place and we have brought the legislation. We have brought the gang legislation and we say if you are in a gang, you have to stand the consequences of that; the punishment will be heavy.

We also brought legislation because every time you heard that a homicide has taken place, they would say it was gang related and we had to send a message to the persons in the gang. We also found out that gang leaders were taking advantage of people. They used government and other funding to give people a little pittance, so when the police came for them, they would run into your house and say, "You have to protect me." If I shoot somebody and kill him, you have to say you did not see, because you are dependent upon them. They run little economies in these hot spot areas. So in the gang legislation we say that if you harbour a person who is a known gang member, you yourself would be subjected to five years hard labour. The purpose in doing that is to give that person the strength to comply with the law to deal with crime. So we have brought the gang legislation.

Another piece of legislation we brought was the firearm legislation. If you have some high powered criminals, four of them in a car, they have pending charges and they go and commit a crime, they would share the spoils. They would probably take a young "fella" with them who would have had no previous convictions; when they commit the crime, they would give him something. The next time they are going to commit a crime, he would want to go with them. If the police catches them, they would say, "You plead guilty; when you plead guilty, you do not have any convictions, so you would only get a fine or a very small jail term." That happens and he goes to the court and says, "They do not know anything about it; it is mine." Dey get away and dey gone."

The police have found that there are a number of persons with a number of matters pending for gang and firearm related offences. The police were becoming frustrated. So we put into the legislation that if you are found with a firearm, you are deemed to be in possession. Subsequent to that we brought the Bail Act which

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says that if you are deemed to be in possession and you have any previous convictions, you will not get bail for 120 days. We have checked with the Forensic Science Centre and they have said that an exhibit could be tested and brought back in 90 days.

The message we are sending to the criminals is that if you have charges pending or a conviction, and you are caught, you may not get bail. You may face a trial and get up to 20 years without ever getting to come back outside. We hope the criminals understand that. We are tightening up the law in such a way to prevent criminal activity. [*Desk thumping*]

We move on to another piece of legislation, which we had to deal with, the interceptor legislation. This was to pass laws to have wiretapping and data protection. We were not able to bring those pieces of legislation, because we had to deal with the issue of the Special Anti-Crime Unit of Trinidad and Tobago (SAUTT) first. I will come back to that in a few minutes, but that legislation could not have been brought in that whole package, because we had to deal with the issue of SAUTT.

The reason the penalties were so heavy in the gang related matters, was because we were trying to use technology to determine guilt and, as such, when somebody came before the court with all the wiretapping and that technological evidence, it was difficult for him to say it was not him. In any event, we thought that if we allowed the gangs to develop to such an extent, they would ruin the country and we had a duty to deal with that.

The hon. Minister of Finance spoke about crime affecting the economy. We could have whatever budget, we could present whatever grandiose economic plan, if we do not deal with crime in a meaningful way then we may find ourselves chasing investors away. We are asking the population to understand where this Government is going; we are dealing with crime as an economic tool also.

You will know that for Tobago we have websites all over the place putting advisories telling people not to come here, that we are the crime capital. In order to develop the economy and to allow the economy to grow, we have decided that dealing with crime is also one of the most important things. That is the reason we have moved in this direction.

We have also decided in the pipeline at the Ministry of National Security, to deal with the issue of private security firms and we will tell you the reason. We want to bring them up to standard and use them to help us deal with crime. For example, if you have proper persons in those firms, they do not have to be a part

of the police service, but we have decided to have a special frequency so if they see something taking place, they would call the police and the police could act very quickly.

People say that there are many persons who are not well qualified or do not have proper certificates of character in those firms and, as such, we want to clean up the act in some of those firms, so we will be able to use them to assist us in dealing with crime. We have a problem on our hands in that we have a shortage of 1,600 police officers at this point in time. The reason for that is because the PNM government had not recruited for the years 2003, 2004, 2005. We lose 200 police officers each year and we are recruiting about 200 each year. So when you subtract those who are going from those who you are bringing in, it stays like that.

This People's Partnership Government said that we intended to deal with crime and, therefore, we have decided to recruit officers who have recently retired. We are bringing them into the police service to augment it. [*Desk thumping*]

Sen. Al-Rawi: That was done in 2005, 2006, 2007, 2008 and 2009?

Sen. The Hon. S. Panday: No, it was not. Millionaire, it was not so.

Sen. Al-Rawi: He will apologize for that, because it is a misstatement.

Sen. The Hon. S. Panday: We cannot train persons fast enough. We have a crime problem on our hands, so in those circumstances we are taking emergency methods to deal with that issue. [*Interruption*]

We are bringing on people to augment the police service. These are some of the things that the UNC has done—sorry, the People's Partnership has done. This is what the Government has done to deal with that issue.

Sen. Ramlogan: “The UNC is part of de Partnership, man, doh study dat.”

4.15 p.m.

So Madam Vice-President, the People's Partnership has taken those steps to deal with the issue of crime as far as it pertains to legislation. We want to indicate to this honourable House and to the public, that although we are passing those laws we hope that many of those young persons, those laws would not have to be applied to them. We feel we are sending a message to our young people: You are young; your life is important; you have a good future in front of you. We are saying to you: put your life in order; move along the straight line and we will not have to deal with those problems.”

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Coming back to the issue of SAUTT, we thought that it was necessary for us to legalize SAUTT before we bring the other pieces of legislation. [*Desk thumping*] Because as the hon. Attorney General has said, wiretapping is illegal in this country.

Sen. Ramlogan: It is; it is. They have been doing it illegally for years now.

Sen. The Hon. S. Panday: And if it had been done illegally for years, you do not know who will fall in that trap.

Sen. Ramlogan: We know.

Sen. The Hon. S. Panday: Because if they have the technology and they do not have the legislation in place, then it could be abused. As a matter of fact, in a debate in 2008 on the issue of SAUTT, I had raised the issue of illegal tapping of persons' telephones and on that occasion, on *Hansard*, page 36/37, Friday December 12, 2008, we said—the Prime Minister then, Patrick Manning, had said—and I was quoting in the Parliament.

“We heard the hon. Prime Minister indicating that a certain agency has been monitoring the hon. Member for Siparia for a number of years.”

That was probably since 2003. That was the time when SAUTT was put in place to the present time. And we asked:

“Does it have a legal status and is SAUTT doing that?”

And the Prime Minister sat in the Parliament there and never answered. As a matter of fact, another time he said that “We have technology to even see in your bedroom”. They were trailing her so much—

Sen. Ramlogan: They played it on TV6.

Sen. The Hon. S. Panday: Pardon?

Sen. Ramlogan: They played it on television last night. He was boasting; boasting about the illegal conduct.

Sen. The Hon. S. Panday: That is why we thought that we had to deal with the issue of SAUTT to legalize it, because you cannot allow an organization like that—SAUTT was an organization that was developed in 2003. Nobody knew when it was developed. A certain person was taken and promoted and made a Brigadier and they put him in charge of SAUTT.

Sen. Ramlogan: And "gih" him \$1 billion.

Sen. The Hon. S. Panday: So far we spent about \$1.4 billion on SAUTT and they had no rules; they had no regulations, nothing; they were there as an agency. But what is frightening, they said that they were intelligence gathering. How do you gather intelligence? It had to be by tapping people's phones, by monitoring them, by following them around.

Sen. Ramlogan: But we see no drop in crime. Who were they monitoring?

Sen. The Hon. S. Panday: And we are saying that what frightens us, is how could you have an organization like that responsible to a Minister? Because SAUTT was an organization which was formed and did not fall under the police service or the police commissioner.

I remember Mr. Philbert saying at one time, he had no problem with SAUTT; no problem whatsoever with SAUTT, once it is responsible to the Commissioner of Police, because it is believed that the Commissioner of Police should be an independent institution. Instead, this was responsible to a Minister and we thought that was frightening. We thought that the time had come for us to deal with SAUTT in a meaningful way, to put legislation in place.

When we argued, the PNM had promised to bring legislation to legalize SAUTT. From 2003 to 2010, you never heard any legislation coming whatsoever. We ask the question: Why did the PNM not bring legislation to legalize SAUTT? That would make anybody feel a bit nervous, where you are spending \$1.4 billion. In the budget you put \$600 million for 6,000 officers, but for 500 officers in SAUTT they got \$384 million. Why are you spending so much money on an entity which has not been legalized? This organization—we are not casting any aspersions on SAUTT, but we are saying that we want to legalize it and put rationalization on the issue.

We have looked in the Ministry for legislation that pertains to SAUTT and we have not been able to put our hands on all the legislation. What we wanted to do was to put SAUTT within a legal framework so that it would be responsible. In SAUTT, they hired whom they wished. Nobody knew who was being hired; nobody knew the process of hiring. If you say it is a secret service or something like that, at least you must have some mechanism to have uniformity in the appointment of persons in SAUTT.

We have information where there are persons who retired from the police service on the grounds of medical inability to perform, on medical grounds and the next thing you hear is, they end up in SAUTT. Yes.

Sen. Ramlogan: What?

Sen. The Hon. S. Panday: And those persons are getting \$5,000 more than persons in the police service. Something was wrong—

Sen. Ramlogan: Obscene!

Sen. The Hon. S. Panday: Something was wrong in SAUTT and we thought that we were going to deal with it.

Sen. Ramlogan: We will sort out SAUTT. That is what we said.

Sen. The Hon. S. Panday: We were in this position where everybody was denying that they are not spying on anybody; they not doing this, but there was no empirical evidence to say it did not happen and if you did find them doing it, there was no legal framework for any redress. That is why the hon. Prime Minister had said “We are going to rationalize SAUTT”.

When you asked Mr. Martin Joseph: “What is SAUTT doing?” He said it is a part of the plank to deal with crime. But when he spoke about it being a part of the plank to deal with crime, what one found out was that as SAUTT continued to perform, crime went up. Crime went up and that is why we thought we had to deal with it. We thought that if you had to wiretap and SAUTT is the organization which had the equipment to do the wiretapping, we thought in those circumstances there must be a legislative framework. You must protect people's privacy. [*Desk thumping*]

Sen. Ramlogan: Yes, yes. Well said, man! Well said! Democracy, man!

Sen. The Hon. S. Panday: Not having SAUTT in place, we were unable at that time to bring the other pieces of legislation to deal with crime. So the Government has nothing against SAUTT; the Government wants SAUTT to remain; the Government wants SAUTT to be an efficient organization; the Government wants SAUTT to be a responsible organization; the Government wants SAUTT to operate within a legal framework so that when they perform their functions, it will be constitutional.

The position with SAUTT is this, that you have many persons in SAUTT; we have spent a lot of money on those persons, but yet they cannot go and assist in crime; they cannot go and bring a case because SAUTT, not being a legal entity, most of them cannot bring matters before the court. And what we found out was happening was that you have these people going there; they gather information; they gather intelligence, but they could not assist the police in fighting crime.

What we found also, the way SAUTT was organized, it was creating dissension and reducing the morale in the police service, in that SAUTT saw itself as an elite group; they look down—well, I would not say, look down. They thought that the police was different from them. The police thought that SAUTT was different from them. So when the police gathered information, for example the CIU, they say, "They getting money. I am not giving them any information." So SAUTT, getting information; the police have information and instead of bringing the information together, they were hiding the intelligence from one another. This was the situation and we were just wasting money, because we needed to rationalize SAUTT.

SAUTT was saying, "Oh, the police not fit; you cannot trust them to give them that information" and the policy say, "All yuh, we cannot trust all yuh either." Therefore, the situation now is, the Prime Minister says, "We are going to rationalize SAUTT." Not only rationalize SAUTT, but we hope that the new Commissioner of Police, when he comes here, will rationalize the whole police service so that all the intelligence gathering will go in a particular pool so that the whole police service could have access to that information, if necessary.

The Government intends, as we say, not to disband SAUTT but to keep SAUTT as an intelligence gathering unit, getting all the other police agencies to come together; put all that information together so that all that information will be better able to deal with the issue of crime to bring down the crime rate. Also, having regard to the amount of money which was spent on SAUTT, \$1.4 billion, what the Government has decided is that SAUTT will be kept for training of police officers. All police officers can go to SAUTT and receive training. So at the end of the day the whole police service, the coast guard, the prisons and all protective services, would come together and use the facilities of SAUTT.

So we do not have anything that we are going to bring or destroy, we are going to make SAUTT into a lean, mean machine and that is our role and function as it pertains to SAUTT.

So this issue where people are speaking that, "oh, we intend to destroy it", that is furthest from the truth. What the Prime Minister intends to do is to rationalize SAUTT. So that issue of SAUTT has been dealt with, we hope, once and for all.

The Government also intends to use its legislative agenda to deal with crime and we hope to bring, as I said, legislation pertaining to the private security firms. It is also hoped that the Government will bring legislation to deal with human trafficking. Human trafficking is one of the greatest sins you could ever find.

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What we have found out is that there are persons who bring young ladies from Colombia, telling the beautiful ladies, "Good jobs in Trinidad." When they come across here they take away their passports and put them in brothels to be abused by people. It is a form of modern human slavery and we intend to deal with that.
[*Desk thumping*]

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

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

Question put and agreed to.

Madam Vice-President: Before the Senator continues, we will be taking the tea break at 4.30 p.m. So Sen. Panday, you will continue at the resumption after the tea break.

Hon. Senators, it is now 4.30 p.m. We will take the tea break and resume at 5.30 p.m. so that way we will continue later on through the end of the debate and there will be no break after that. All right? This sitting is now suspended until 5.30 p.m.

4.30 p.m.: *Sitting suspended.*

5.30 p.m.: *Sitting resumed.*

Madam Vice-President: Hon. Senators, the question was put before we went to tea that 15 minutes be extended to Sen. The Hon. Subhas Panday. You may continue.

Sen. The Hon. S. Panday: Madam Vice-President, there are two areas in terms of legislation with which I want to deal, and that is, we want to deal with speeding. Speeding is a problem and, apart from gang homicides, too many lives are lost on the road.

We are in the process now of doing some research to find out how to deal with this issue of speeding. We are looking at whether to use radar guns or laser guns. Once that is done, we will come to the Parliament to deal with that issue. We have to deal with that issue of lawlessness on the roads.

We are trying to put as many policemen on the roads as possible. We intend to create police bases along the highways, where police will be put in strategic positions to control lawlessness on the road. Up to now, we have observed that persons breach the law with impunity. That must stop and the Ministry of National Security will move in that direction.

These are harsh methods we intend to use to deal with crime, but that is only in the short term. We hope to look at dealing with crime in the medium term and in the long term. We have decided on mentoring programmes; to find youths at risk; to go out into the communities, meet them and mentor them; keep them away from severe pressure. We will be the happiest persons in the world if these laws do not have to be applied. There is also the citizens' programme to contribute to the reduction of crime. We have identified 22 partner communities already. We are working on it. Sen. The Hon. Brig. Sandy's heart is in this. He is walking through Morvant/Laventille begging the youths not to fall into a life of crime. He has even decided to go to the steelpan yards and to find other activities for the youth to take them away from criminal activities.

In the prisons, for example, Sen. Ted Roopnarine will remember when he was in the Ministry of National Security we were reviewing the prison regulations. We hope to come with them as soon as we can. We are trying to rehabilitate persons in prisons so that when they come out they will go into gainful occupation so that they would not have to return to prison.

We are working with "Vision on a Mission" to deal with persons who have been deported. Sometimes those are alleged to be persons who have expertise in very technical areas, which even our police have to keep an eye on. We intend to bring them into the society and move forward.

Just recently we went to the prisons, talked to the prisoners and tried to influence them. Everybody, even if you have a lot of bad like my friend over there, there is always some good in them. That is the way we intend to deal with it.

We say that young boys 15 to 25 are the persons, when we check the records, who find themselves in crime. We cannot tell them that heavy laws are against them and that they should not go into crime and leave them stranded. We hope to have a social network. The hon. Minister of Labour, Small and Micro Enterprise Development has indicated that we remove that inhibition preventing boys between the ages of 18 to 25 from getting work. We intend to give them the social framework, so that we put them in a position not to have to commit crimes. If we say you do not have to commit crime by necessity, then we have the legislation to deal with them. Government has decided to pass legislation and to look at many other programmes to assist persons in not continuing their criminal ways.

As Sen. Fitzgerald Hinds will know, we have been studying the whole system for some time and we are moving in that direction. We are trying to get the Ministry of Justice to move onto their area so that they will bring the Probation

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Department, Social Services, and that Ministry may take the issue of parole, to ensure that when they are trained in prison, we rehabilitate them; when they come out, we try to get employment for them. Maybe some time in the future tax relief will be given to employers to employ persons like these so that we prevent the issue of crime.

The Ministry of National Security does not only deal with crime, but with other areas. One of the areas is prisons. Prisons fall under the Ministry of National Security and we must admit that we have many challenges in the prisons.

Fire also falls under the Ministry of National Security and we must also admit that we have some challenges. Remember the learned Attorney General had filed a matter where a gentleman worked in the prison service for 38 years and was not promoted. He went to court, resigned and was promoted. We are looking at those issues.

In the fire service, we have challenges with the auxiliary. These are persons who have been trained to assist firefighters. We are looking at the rural areas where we may not be able to have full time firefighters to put the auxiliary to assist, like Cedros, Bonasse, Moruga. We intend to look at those areas.

Madam. Vice-President, when we look, we see a bigger issue. They are complaining that the police are getting this and they are not getting that. The fire service is saying that the police got benefits and they are not getting them. Prison says their lives are in trouble; they are not getting any assistance. There is a dichotomy. The police have the Police Service Commission, so they set the terms and conditions of the workers in terms of promotion, discipline and whatnot; even sometimes negotiating conditions.

We find that the prison and the fire service are under the prison commissioner and the fire officer, but the Director of Personnel Administration determines their terms and conditions and promotion, so far away removed from the persons with whom they deal.

Sometimes when the news go from the executive of these organizations, it loses its flavour and when it reaches the DPA they start treating these people in the protective services as civilians. We need to look at that. I am just throwing out an idea to the population.

Maybe the time has come when we have to look at a protective services commission, not only a police service commission, which will incorporate the police service, the fire service and the prison service, so that when a problem comes to that commission with one of the protective services, they will have institutional memory and there will be direct contact.

We spoke earlier today of Act 5, Act 6 and Act 7 of 2006, in which we modernized the police system. The fire service still operates on 1938 legislation and so does the prison service. I think somebody said the 1858 rules govern the prison service. You find them having problems among themselves so that is why we are putting that issue before the population and to the stakeholders to look at it and see if we cannot move forward.

Maybe the time has come when we should look at the appointment, not only of the Commissioner of Police, which we know is an experiment that will bear fruit. If that works in that direction, maybe we can change the prison laws so that we put fixed rules for promotion; appointing commissioners of prison on merit rather than merely on experience. What we have in those services is that a man can tell you from now until he retires when he will reach up there; and if he knows he is going up there, he sits and he waits until he reaches up there.

If that is the situation, we need to deal with that because it creates a certain amount of inefficiency in the prison system and in the fire system. Also, if you have those systems where you are changing the rules for promotion every time you go to promote, what happens is that persons who will fit into a certain category in a previous promotion list falls through the crack and when you bring in the rules, he stays there and younger persons bypass him and he is a totally frustrated man. So we intend to look at that, but we do not want to impose that on the people. We hope to bring this to the population and let the population as stakeholders deal with that.

Madam Vice-President, this Government is not arrogant. This Government will listen to anybody who speaks. We believe that we alone cannot deal with crime. Crime is everyone's business. We may not have all the solutions; we may not even have all the money; but crime affects everyone and in those circumstances we are bringing everyone into the net.

For example, there is a learned magistrate—I think her name is Miss Quinlan, who says that the traffic ticket system is not serving its purpose. The purpose of the ticket system was to move cases out of the court, but recently we raised the fine so high that you only have 14 days to pay and people cannot pay it. They say, if you do not pay your ticket by the 14th, let say of October, you will go to court next year in March and face a magistrate. Many people who cannot pay the ticket go to court to play for time so that they could get time to pay for the ticket. If that time comes and they cannot pay, they continue making adjournments until they can pay the ticket.

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We must be sensitive and when the practitioners in the areas speak, we must listen to them. She has made a recommendation that we should extend the time for paying the tickets up to the day before you are to come to court. This is a good idea. People are speaking and this Government is not an arrogant government.

The police officers are also complaining. They have to put three pieces of carbon under the tickets and when they are writing the ticket, the carbon flies away and the person to whom they are giving the ticket laughs at policemen running to grab the carbon. We must modernize the ticket system if we want it to work. Maybe we can use computers and have them printed or maybe use a new system like they use in the banks where, when you write once, it stays on. We intend to listen to the people.

Furthermore, we intend to bring litter laws and when another magistrate saw the laws, he said: Let us make that a ticketable offence so that we will not clog the courts. This Government is listening. We are not arrogant as I said, and we will ensure that we bring everybody on board because crime is everybody's business.

Madam Vice-President, I thank you and Members of the Senate very much for this opportunity to make this contribution. I am certain that if all of us come together with one vision, one purpose, all of us will be able to deal with crime and Trinidad and Tobago will be a happier place for all of us.

I thank you.

5.45 p.m.

The Minister of Tobago Development (Hon. Vernella Alleyne-Toppin): Thank you, Madam Vice-President. Let me first congratulate you on your assent to the esteemed office of Vice-President of the Senate. I truly admire the way you discharge your duties with grace and dignity.

Let me proceed to compliment my Cabinet colleagues, or my Senate colleagues, who have articulated very clearly the programmes and projects that will be pursued through their Ministries and the ably supported contributions of others on this side, particularly Sen. Embau Moheni, whose contribution on Tobago was clinical. I am utilizing this opportunity to reinforce the People's Partnership Government's commitment to Tobago, as demonstrated by the provision of \$2.6 billion in the 2010/2011 fiscal package, passed in the Lower House last Friday.

I must acknowledge the sterling contributions from the Independent Bench during the time I have been present in the Senate Chamber and endured the

response from the Opposition Bench, among them my compatriot from Tobago Sen. Cudjoe. Hers was a spirited contribution, even though heavily spiced with inaccuracies, innuendoes and, perhaps, ignorance. In fact, ignorance is bliss. Her contribution was in fact verbose; vapid; vacuous; vitriolic; vile; vague; vain; venomous; vexing; vituperative; and indeed, vaudevillian. But I will not be vindictive, because I like Shamfa very much and I think she likes me too.

Sen. Hinds: Madam Vice-President, please. Point of order.

Madam Vice-President: What is the point of order?

Sen. Hinds: Simply that Senators are to be referred to—*[Interruption]*

Hon. Senators: That is not a point of order.

Madam Vice-President: Please, indicate your point of order, Sir.

Sen. Hinds:—and not on a first name basis. That is all I am standing to say.

Madam Vice-President: Senators, it would be remiss of me if I did not correct this particular incident. Whenever a Senator asks to give way, there are two points, you can ask for a point of order, in which the standing Senator has no choice but to simply sit. The person or Senator who is interrupting must indicate the point of order. If you do not have a point of order and you are seeking clarification, you ask the Member standing to give way. It is up to the standing Senator to indicate. I have not heard a point of order, nor a point of clarification from you. Please, bear in mind the dignity of the Chamber.

Sen. Hinds: Always.

Madam Vice-President: Minister, you may continue.

Hon. V. Alleyne-Toppin: Thank you. I am sorry, Madam Vice-President, Sen. Cudjoe.

Sen. Hinds: Thank you very kindly.

Hon. V. Alleyne-Toppin: I would not be vindictive, but I imagine that when I shall have finished, she will have a complete volte-face.

Hon. Senators: “Dat eh in de book.”

Hon. V. Alleyne-Toppin: Evil prevails where good men fail to act and if you stand for nothing, you will fall for anything. It is instructive in Tobago that we uphold good values and we say all the time: “You must make sure that your society is one that is ordered in such a way, that honesty would prevail and that

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the best of circumstances will attend to our lives.” In other words, if you are a young person and you find something is remiss or amiss with your people, it is your duty to say that something is wrong. It is your duty to make sure that evil does not prevail.

I just came off the phone from a conversation with a woman who was on the port waiting for the ferry service to go to Tobago. She has her ticket in her hand and there are, perhaps hundreds of others, cars lined up to go on the boat and they have their boarding passes. Their luggage has gone on board and the ferry has gone and left about 100 people; the airport likewise. Somebody called me from the airport. What we are trying to do in Tobago is to fix a bad situation, along with the People’s Partnership, along with the People’s National Movement, along with the Tobago House of Assembly and along with all of the people who are right-thinking in our society. I will not be ungracious, but it is not kosher to defend the indefensible.

If we continue, as Tobagonians, to erase ourselves and to pretend that these things are not wrong, we will only continue in the vein of the last nine years in which we got precious little done. Had that been different, I would not have been standing here today. Had that been different, I would never have been a politician.

Madam Vice-President, I would like to quote from the Senator’s contribution:

“I would like to say that I would have liked to see more programmes and projects in the area of youth development, strengthening youth organizations, and youth programmes.”

Good. I also would like to see all of this.

Certain groups get no funding in Tobago from any Tobago House of Assembly organization. There is no Best Village any more in Tobago. The Prime Minister’s Best Village Trophy Competition has been erased. Sports programmes are lacking. We have been forever lighting the Cyd Gray Complex and we cannot get it lit. There are no indoor sporting facilities. There is no proper, strict monitoring of education among our youth for productivity. We are now four months into Government and we are expected to make this happen in four months.

On the issue of youth crime, youth crime is rampant, perhaps all over the globe, but we of the People’s Partnership will attend to this. We have started, or are in the process of attending to this and we must send a clear message that the big boy or girl who steals millions cannot get off scot-free, when the juvenile pays

heavily for the smallest misdemeanour. When you say the youth are looking at us, the youth are looking at the People's Partnership and we will be a shining example for the youth.

I want to quote again:

“It provides the membership, powers and functions of the Tobago House of Assembly; the institution responsible for facilitating growth and managing development in Tobago. It is not the sharpest of tools, and I would be the first person to admit that.”

The THA must discharge its responsibilities because the THA is an important part of the Government of Trinidad and Tobago, as are all the other local government bodies, as are all the people in this august House and we are asking the THA simply to be accountable for what it spends, to be accountable for what it delivers and to be accountable to the people of Trinidad and Tobago for a better governance of this country.

There is question about the largest allocation being in 2009. Okay, the largest allocation for 2009 was in the area of \$1.993 billion. For some reason, there is no wish to add that to the moneys that would be spent in Trinidad by other Ministries in Trinidad. I am going to come to that in a short while, because I am going to give you some figures.

“I want to join the people in Tobago by saying that we have a difficulty with the proposition from the DRC, that not only sets artificial limits to the resource flow of Tobago, but effectively ties the spending of the Assembly to what obtains in Trinidad.”

Why did the People's National Movement government not effect the changes that they are asking the People's Partnership Government to effect when in the last nine years they were in government? Why did the people in the Tobago House of Assembly not go to Prime Minister X and say to him: “We do not like what we have here in the Dispute Resolution Commission; give us a chance to have a little more money.”? How can we have had for the past nine years, the same 4.03 per cent from every government that went and there was nary a word from the Tobago House of Assembly saying son to father: “Daddy, this is not enough.”?

Madam Vice-President, the Senator from Tobago here said: “This is my son with whom I am well pleased.” Why can the son not ask the father: “Give me a little more, so that I can develop the country the way it should be developed.”? [*Interruption*]

Hon. Senators: He chased him out of the house.

Hon. V. Alleyne-Toppin: I just want to go through a little detail. I think the father did chase the son out of the house. Every representative that came here from Tobago served with diligence to make sure that Tobago got what it needed. All of the people who were named in the service from Tobago in Trinidad, are people that I know very well. I have known some of them all my life and I salute their diligence. But none of them has actually been able to effect the kind of changes that we have needed. They have tried, but for some reason, the father did not listen to the children. Had the father listened to the children, perhaps, the children and the father would have been on this side and we would have been on that side. *[Interruption]*

Hon. Senators: Hubris.

Hon. V. Alleyne-Toppin: It is not only hubris. As a student of literature—
[Interruption]

Sen. Ramlogan: “Gyul yuh bright too bad!”

Hon. V. Alleyne-Toppin: There is a consideration in hubris called the tragic flaw. The tragic flaw builds inside of you and drives you to hubris. So, when everybody talks about hubris, I would talk about the tragic flaw. *[Interruption]*

Sen. Bharath: That is flaw.

Hon. V. Alleyne-Toppin: I am quoting again:

“You have to put your money where your mouth is. You cannot just complain that there are unfinished projects; you have to put your money where your mouth is.”

The People’s Partnership must put their money where their mouth is and put the money in Tobago. This would have read so well in 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, and 2009.

6.00 p.m.

So, the People's National Movement decided that if it was bad in 1995; if it was bad in 1996; if it was bad in 1986, if it was bad in 1987; if it was bad in 1988 and if it was bad in 1989, let it be bad in 2001, 2002, 2003, 2004, 2005 and 2006; the national purse, notwithstanding; the price of oil, notwithstanding. If it is bad, let it be bad. So the People's Partnership Government should now continue the trend and in 2010, let it be bad; in 2011, let it be bad; and we could go on ad infinitum.

Hon. Senators: Not us.

Hon. V. Alleyne-Toppin: So, if you give a child \$10 to buy a Tea Time and the child comes back to your house and says: "I eh ha the Tea Time, but I eh ha de money either". You give them another \$10, and you send them back to the store, they come back, they do not have any—trite, puerile—but I am quoting—a Tea Time and a Bongo and so on. We are using terms that people understand here. So if they come back the second time without the Tea Time, you give them another \$10, and you send them back again and they come back with no Tea Time, and you go on and on, and you say that is not a cost overrun. No it is not a cost overrun; it is illogical. That is what I am saying. The arguments are vapid in the document. I am quoting from the *Hansard* copy—vacuous, vapid.

"Each project that requires funding was grossly underfunded this year; the Scarborough Library, \$40 million requested, \$2 million allocated; Shaw Park Cultural Complex, \$100 million needed, \$5 million allocated; the Scarborough Hospital, \$200 million needed, \$65 million allocated."

Madam Vice-President, let me give you a little story. Once upon a time when I was supervising graduate students, I had a student coming from a university in England, and he was studying development in small island states or developing countries, and I was guiding his thesis. And he said to me, "I cannot understand how when I look at your records in your country, you have been budgeting for a hospital since 1956, and every year from 1956—1986, when the PNM government demitted office, you have put in your budget every year, 56 and 10—66 and 10—76—money for the Scarborough hospital, where is it?" How could any government operate like that? How could any people in a democracy where there is government of the people; by the people; and for the people allow such a thing to happen?

Madam Vice-President, we can send the child to the shop for the Bongo and the Tea Time and we can continue, but with the People's Partnership Government that will not happen. [*Desk thumping*] The child will have to account for the money that he went to the shop with the first time, the second time and the third time. We will not keep on pouring good money after bad.

Regarding the \$7 million a bed for the hospital, the argument is that there are hospitals abroad where it costs more than that—\$1.5 million a bed, and that is true. I have found that, but I am saying something that the other new "lady Blah Blah" said—[*Laughter*] Madam Vice-President, if you want to build a hospital to the value of one of those US \$ 1.5 million a bed hospital, would you not budget—what is the sum—100 beds, you would budget from the beginning and you would give out the job for \$150 million, not \$135 million. So, apparently, you did not set

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out to build the kind of hospital that would cost US \$1.5 million a bed. So, what are you actually arguing? That when I set out to build a hospital, I intended to build a hospital for US \$900 million but I only started off with TT \$135 million and then I said, in the course of time, we will move to that. So, by the end of the 10 years when the hospital is completed, we will have that \$1.5 million a bed hospital.

Now, I was born in that hospital in Scarborough, and I can tell you that we are really in dire need of a hospital. I want the young people to understand that if they do not push for change in Tobago, who will push? [*Desk thumping*] So, young Senator, please push for change in Tobago, regardless of political suasion. Push! [*Desk thumping*] I tell women every now and then when I talk to them, when you are having your children and you get in and the doctor says push, push and do not stop pushing until you are dead—Young people, push for the best possible change in Tobago.

I talked about a story about an incubator and a baby, but I did not finish the story, and people want to say things about the incubator. In the hospital, in my last check, which was a few days ago there is one transport incubator for babies who are newborn. This baby that I talked about was born in June. The transport incubator had come to Trinidad the day before with another premature baby. This baby had to be wrapped in foil. Now, this is what the mother told me. The baby was brought on a helicopter. I do not know which one of you would prefer this to happen to you. So, there is no point in pretending that this thing is not happening. The baby was brought to Trinidad in a helicopter. When they got to the Queen's Park Savannah, rain was falling, so they could not transfer the baby to the Port of Spain General Hospital. So the helicopter ran out of oxygen, so the baby was in distress and they used a manual pump. In using the manual pump, one of the baby's lungs popped and the baby lasted six days after that.

Madam Vice-President, I am talking from the bottom of my heart for Tobago. The people who sit with me in the Cabinet and in all those caucus meetings, they know that I am talking from the bottom of my heart for Tobago. [*Desk thumping*] I am talking for something that I am sure the hon. Senators on that side and the Independent Senators will agree that these situations are untenable. You cannot now disagree with me.

The ferry was going to Tobago one day—must be last week or the week before—and somebody got very sick needing immediate emergency medical care—some kind of heart attack or stroke or something—and what did they do? Hear what we will do, we will run the boat faster to get the man in quickly. We

have had deaths on the boat. They ran the boat as fast as they could and everybody else got sick. So when you get into Tobago, everybody is vomiting and an ambulance is there waiting for when you get there. If you do not believe me, take a trip across on the ferry. There is an ambulance there nearly every time you get there.

The Senators in this honourable Senate must understand that when I talk for Tobago, I do not talk for myself. I talk on behalf of the people who voted for me and whom I promised that I will always talk for Tobago. You know I have a script. I forget I had a script.

Madam Vice-President, in respect of the tourism sector, the People's Partnership has already begun to have meetings with the Tobago House of Assembly. We have had steering committee meetings and we have moved all kinds of things in the direction of tourism. As I said before in the other place, one phone call from Minister Jack Warner fixed things that were happening for years and years and years on the ferry service and at the airport.

It is the political will that was lacking. It is a kind of lack of accountability and a kind of inertia that has gripped my people in Tobago. So, we have come to understand that to prefer mediocrity—I am sure all of you know when Tobagonians used to be scholars; brilliant scholars and very productive people and we still are, but we want the People's Partnership now to partner with the Tobago House of Assembly and all of us and to ensure that Tobago moves forward in a very positive and proper direction.

Now in Tobago we have some building codes and you cannot build anything that is taller than a coconut tree. Now, what is that? Which coconut tree? How can all our lands in Tobago be classified as agricultural lands? What are we doing in the 21st Century with that beautiful island called Tobago? Have we gone back to what the Senator on the other side described—I cannot say that she described me as that, but maybe she tried to. She said:

“This is a classic example of an elevated field slave who has to constantly remind you: As a ‘massa’ now, obey me; who has constantly to remind you of their position: I am in charge of all your affairs; just ask me for what you want; and then gives you welts on your back so that you remember their position.”

Madam Vice-President, I want to submit—there is always room in here for us to say how we feel—that this field slave analogy is unacceptable. [*Desk thumping*—a field slave; a house slave; any kind of slave, in the face of an

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African, is unacceptable. [*Desk thumping*] Any kind of slave, in the face of anybody, is unacceptable. [*Interruption*]

Madam Vice-President, the ones whom the gods will destroy, they first make them vex. I do not understand this new adage, because I remember it to mean: The ones whom the gods will destroy, they first make mad. [*Desk thumping*]

So, Tobago is a place that came out of the bowels of slavery. If you understand the context of a field slave and a house slave, you will understand that you are talking about my very beginnings, because I am part field slave and part house slave in my ancestry, and I am proud that I am part field slave and part house slave. I have never ever sought self-aggrandizement. I do not seek self-aggrandizement. I am simply asking for a better deal. I am reading from the debate. I am reading from the *Hansard* copy. If you want to revise your copy, you have 72 hours in which to revise it if it says anything fallacious, anything you did not say. I have learned that kind of late.

6.15 p.m.

Now, the People's Partnership has an abiding respect for the Tobago House of Assembly, [*Desk thumping*] and we will not allow anybody to come here and misinform—if you remember my opening statement—inaccuracies, innuendoes, and perhaps, ignorance. I made every effort to speak with and meet with the Chief Secretary of the Tobago House of Assembly, and we did meet. We spoke on the phone and we have met several times. When there was collaboration for the budget, the Chief Secretary was sent for by the Prime Minister and the Minister of Finance. He came with his team twice.

The budget people went to Tobago, they collaborated and it is because of this collaboration, the Tobago of Assembly and the Government in Trinidad—let me call it the People's Partnership Government—has found a way together, to put in the PSIP—as Minister Dookeran says, “Facing the issues, turning the economy around.” They faced the issues in Tobago. They are turning the economy around in Tobago. Of course I wanted to read a whole lot of stuff: establishment of agricultural land information system, continuation of the sub-division. I am saying all of this to say, that I want the people of Tobago to know that the Government of Trinidad and Tobago is committed to moving Tobago in a positive direction, is committed to providing jobs; is committed to providing education and is committed to providing money. [*Desk thumping*]

So therefore, I want the people of Tobago to get ready, to put themselves in position to accept the influx of good fortune that is coming with the People's Partnership Government. [*Desk thumping*]

Hon. Senator: Well said!

Hon. V. Alleyne-Toppin: There will be farming initiatives, there will be fishing initiatives, construction of box drains and simple things like that—there will be jobs for all walks of people—continuation of Milford Coastal Protection Project.

Madam Vice-President, I had planned to make copies of this document [*Document was displayed*] with the leave of the Minister of Finance and to circularize it to every household, so that the people in Tobago will know that the Government of Trinidad and Tobago has organized all of this in collaboration with the Tobago House of Assembly: small business sector, road infrastructure, roads and bridges development, basic tourism infrastructure, Grafton Beach Hotel, whatever. The people will have jobs because as I like to say, there is a saying from a great leader that says:

“I have come so that people may have life, and have it more abundantly.”
[*Desk thumping*]

Sen. Cudjoe: Would the Minister give way? Madam Minister, would you give way, please?

Hon. V. Alleyne-Toppin: We have the continuation of refurbishment of the landing jetties at Studley Park and in Charlotteville; construction of facilities for VMCOTT; procurement of management information system; preparation of designs for the waste water project for south-west Tobago; continuation of upgrade of the Scarborough Waste Water Collection System; rehabilitation of sewage treatment plants at Buccoo and Bon Accord. I am saying all of this to say, that in every nook and cranny of Tobago, there will be developmental projects agreed to by the Tobago House of Assembly and the People's Partnership Government. Establish an office for the Prime Minister in Tobago—brick and mortar; construction of judges and magistrates housing in Tobago; construction of a met station in Tobago; construction and upgrade of the facilities for the army and the coast guard; construction of a Tobago Office Complex for commissions; construction of the Vanguard Hotel; construction of an Office of the Attorney General; installation of an incubator at Crown Point; institutional strengthening and training of staff; and on and on we can go. Construction of a new Scarborough school; construction of a UTT/UWI/COSTAATT campus; completion of the new Scarborough Hospital, all in the fiscal 2010

Sen. Hinds: When? 2011.

Hon. V. Alleyne-Toppin: Programmes from Agriculture through Minister Bharath. I could call the allocations: public health facilities, Tobago, \$17,900 million. I want to say something about allocations in Tobago. Let me tell you something about allocations. Let us get back to the nice little examples. If you ask your parents for \$500 to buy a pair of shoes and you only need \$100 to buy the pair of shoes, and your parents gave you \$250, do you not have more than enough to get the pair of shoes that you wanted? So when the Tobago House of Assembly does an over budget, when the budget is padded and you come and say, I requested \$500 million and they only gave me \$250 million, you are already embracing—you have already covered your needs. So I am saying, expansion of the Tobago Community College; continuation of upgrade works at Scarborough, Charlotteville and Roxborough libraries, and we go on and on.

PROCEDURAL MOTION

Sen. David Abdulah: Madam Vice-President, my apologies for interrupting the Member, but in accordance with Standing Order 9(8), I beg to move that the Senate continue to sit until 10.00 p.m.

Question put and agreed to.

APPROPRIATION BILL (FINANCIAL YEAR 2011) BILL

Hon. V. Alleyne-Toppin: Thank you, Madam Vice-President. Let me make it crystal clear—unless anybody think that I am not in favour, or I do not like, or I do not honour, or I do not respect the Tobago House of Assembly—that I am in full support of the fact that the Tobago House of Assembly is an institution that governs Tobago. Let me say perhaps for the records, that in my massa ancestry as it comes here, one of my forebears was an Assemblyman, in the days when the Assemblymen had to be 18, had to be white, had to own land of a certain acreage, and had the right to vote where other people did not have a right to vote.

So let me say that I am the descendant of an Assemblyman, Richard Benjamin Alleyne, and that drives me to make sure that the Tobago House of Assembly, if for no other reason, is sacrosanct. [*Desk thumping*] So, the People's Partnership will not however countenance malfeasance in public affairs.

Sen. Hinds: Would the Minister kindly give way?

Hon. V. Alleyne-Toppin: The People's Partnership will not cover up wastage of public funds. The People's Partnership will not condone pilfering from the public purse, nor the rampant lack of accountability. [*Interruption*] You said it

yourself, all elements of the bugbear that stymies the growth and development of our country.

Madam Vice-President, over the nine years, the same formula that has been used by the PNM government, is now used for allocating funds for Tobago. However, we can show that this time around we have been given extra money. I hereby state a few of the items of funding in fiscal 2011 by other Ministers that are critical to the well-being of the residents of Tobago:

CDAP—Medication for the elderly: \$50 million;

CEPEP: \$8 million—CEPEP and URP seem to be issues—last year, \$8 million this year;

URP: \$16 million last year, URP: \$19 million this year. But the request from the Assembly was \$83 million for URP. Seventeen million dollars from the PNM last year and \$83 million requested of the People's Partnership this year;

National Social Development Programme: \$ 21 million;

Public Utilities—WASA: \$65 million;

On-the-Job Training: \$12 million;

Social Development Disability Grant: \$4.82 million;

Social Development Old Age Pension: \$84 million;

Social Development Social Assistance: \$6 million;

Youth and Sports: \$3.9 million;

Works and Transport, Government Shipping Service, Ferry and Cargo Service: \$129 million;

Unemployment Relief Programme: \$16 million.

Madam Vice-President, what message is the THA/PNM telling the people of Tobago? Are they saying that the CDAP medication, old age pension fund, CEPEP, URP, the ferry service and all the other items funded by the Ministry are not important to the well-being of Tobago? I am saying, let us add the allocations all together and we will see that Tobago got the best it ever got, and I salute the People's Partnership. [*Desk thumping*]

In terms of Ministries:

Ministry of Health; \$65 million for the Scarborough Hospital—and I am counting;

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Ministry of Science, Technology and Tertiary Education: \$17 million;

Ministry of Trade and Industry: \$15 million;

Ministry of National Security: \$11 million.

You know, there is talk about no collaboration with the THA about the fire station. The fire station falls under the purview of the Minister of National Security, and the Minister of National Security saw it fit to do a fire service headquarters in Tobago. It has nothing to do with me or anybody else. The Minister of National Security, of course, would have consulted because this fire station in Tobago was on the books forever and the Ministry of National Security will build the headquarters.

I remember going to a meeting with hon. Jack Warner and the Chief Secretary, and when hon. Warner talked about the Programme for the Upgrade of Road Efficiency (PURE) in Tobago, the Chief Secretary said to hon. Warner, "You know I don't care who builds the roads. I do not care who paves the road, as long as they get paved." Okay! So, I am urging my Ministers, my colleagues in Trinidad, pave on. Do what is necessary. We are one country, we are Trinidad and Tobago [*Desk thumping*] and in order that Trinidad and Tobago should walk side by side—come to Tobago and you will see our distress—let us work together with the Tobago House of Assembly with all respect.

Madam Vice-President, I do not agree that the relationship between the Tobago House of Assembly and the People's Partnership is hostile. I have seen Minister Bharath and Minister Mc Leod visit Tobago, and I have seen no hostility between the People's Partnership and the Tobago House of Assembly. I have witnessed none.

Sen. Bharath: I had a very cordial meeting.

Hon. V. Alleyne-Toppin: None! None! I have also experienced cordial relationships with the THA and I have asked for cordial relationships all the time with the THA, and I am sure that it is the only way we could move forward. [*Desk thumping*] You see, there are some contentious and vexing people who are bent on making it seem otherwise and who are bent on demonizing the Minister of Tobago Development, and they know very well that the Minister of Tobago Development is by no means a demon.

I urge Tobagonians to position themselves; again, I say, choose your career path and equip yourself for the influx of good jobs, decent jobs that will come to Tobago.

6.30 p.m.

A relative of mine asked me to find her a job. I said, "What are you doing at the time?" She said, "Am, I have a five days, but, you know", I said, "What do you want? "Well, ah want a 10 days." I said, "Why do you want a 10 days? Why do you not want a 30 days? Why do you not want to work all month? What is it? You are so skilled. You know how to do all kinds of things. What is the situation?"

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

Motion made, That the hon. Minister's speaking time be extended by 15 minutes. [*Sen. D. Abdulah*]

Question put and agreed to.

Madam Vice-President: Minister, you may continue.

Hon. V. Alleyne-Toppin: [*Desk thumping*] Thank you, Madam Vice-President. Madam Vice-President, I want to show something here that is strange, something that says to me that there is an abracadabra politics happening in Tobago in the URP programme.

In 2002	\$11 million income from Appropriations, expenditure \$10.4 million;
2003	URP, \$11 million income, \$11.3 million expenditure;
2004	\$20 million income, \$15 million expenditure;
2005	\$26 million income, \$23 million expenditure;
2006	\$16 million income, \$26.5 million expenditure;
2007	\$16 million income, \$28.7 million in expenditure;
2008	\$18 million income, that is coming from the government purse, \$44.7 million in expenditure; 2006, 2007, 2008, election years.

So for some reason, whenever we call a general election, the URP budget gets larger, but the abracadabra politics comes about because all of a sudden you are spending more money than you are getting.

Now, the People's Partnership Government in its manifesto has pledged:

"In order to give effect to the policy the People's Partnership government..."

In respect of Tobago we will:

"...take the following steps:"

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We will:

“Review the matters listed in the Fifth Schedule of the THA Act No. 40 of 1996 and other relevant sections.”

We will:

“Bring to the Parliament a Bill to amend Section 75(1) of the Constitution so as to give the THA Executive and Legislative authority for matters under the Fifth Schedule and other matters incidental thereto.”

And we will:

“Amend all the existing laws to be consistent with and give legal and administrative effect to the new constitutional relationship between Tobago and Trinidad.”

Therefore, [*Crosstalk*] therefore, [*Crosstalk*] therefore, the fact that money has been put in the coffers of the Ministry of Tobago Development for some of this is not strange. Money is everywhere for some of this. It is in the THA and it is everywhere. It is in the Ministry of the Attorney General because the People’s Partnership is committed to bringing Tobago side by side with Trinidad. [*Desk thumping*]

Therefore, the first item on our legislative agenda is the People’s Partnership manifesto promises of Tobago constitutional authority to treat fully with all matters under the Fifth Schedule of the THA Act within the framework of the sovereign democratic state of Trinidad and Tobago. There is nowhere in the PNM manifesto that says anything about constitutional reform for Trinidad and Tobago or any amendments to the THA Act so that Tobago will enjoy in Tobago some greater measure of self-determination.

I say, Madam Vice-President, that the People’s Partnership Government will move Tobago from its place in limbo where it has stood for nine years to a bright and brilliant future. The People’s Partnership Government is committed:

- to the transforming of the educational sector in Tobago;
- to stimulating entrepreneurship at the small and micro levels;
- to the completion of the Scarborough Hospital and the delivery of good health and proper health care;
- to accelerating the process towards new constitutional arrangements for Trinidad and Tobago;

- to addressing the issue of land regularization and thus empowering the people of Tobago;
- to ensuring that all government services will be delivered in Tobago and to mitigating the negative impact of the higher cost of living in Tobago;
- to alleviate poverty and to empower people; and
- to ensuring the delivery of all infrastructural projects languishing, awaiting completion over the last 10 years.

Madam Vice-President, I again beg the people of Tobago, wherever you may be at home or in the diaspora, to unite with the People's Partnership to rescue our beloved Tobago. [*Desk thumping*] I implore you to encourage the leadership and the rank and file of the Tobago House of Assembly to work together with the People's Partnership Government because this is what government is about. All of the arms of the State that are in governance must work together for good governance, and if we all work together we will all share together as good partners. We will share our risks and we will share our benefits. We will share our joys and we will share our sorrows and we will, in fact, build a better nation. I thank you. [*Desk thumping*]

Madam Vice-President: Hon. Senators, on your behalf I congratulate the Minister of Tobago Affairs on her maiden contribution in this Senate Chamber. Congratulations, Minister. [*Desk thumping*]

MATTER OF PRIVILEGE

Madam Vice-President: Hon. Senators, please allow me to refer to a matter that I made reference to at the start of our sitting. I did receive a motion, a matter of privilege dated September 23, 2010 addressed to the Acting President, Office of the President—[*Madam Vice-President confers with Hon. Sen. S. Panday*]—a privilege matter, the Attorney General, statements made on September 22, 2010 signed by Sen. Faris Al-Rawi and Sen. Fitzgerald Hinds.

According to Standing Order 26(2)—I would like to read for you Standing Order 26(2) before I proceed. It says:

“Any Senator desiring to raise a matter under this Standing Order shall first obtain leave of the President who shall determine whether the Senator is entitled to raise the matter as a question of privilege.”

And so in ruling, in accordance with Standing Order 26(2)—[*Madam Vice-President confers with Hon. Sen. S. Panday*] Members, having received the letter

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dated September 23, 2010 with reference to the above matter, I wish to indicate at this time that leave is not given under Standing Order 26(2) to raise this matter as a question of privilege. I have examined carefully aspects of the hon. Senator's contribution, as well as the points referred to in the letter, and wish to indicate that in the circumstances Sen. Ramlogan's comments could not be reasonably interpreted to show "high contempt of this House" and the exercise of privilege of freedom of speech was reasonably tempered with responsibility.

I therefore rule that there is no issue that warrants this matter being referred to the Privileges Committee. I thank you. [*Desk thumping*]

APPROPRIATION (FINANCIAL YEAR 2011) BILL

Sen. Penelope Beckles-Robinson: Thank you very much, Madam Vice-President. Madam Vice-President, I would like to join with my many other colleagues in congratulating the Minister of Finance and all my colleagues, both on the Government, Independent and, of course, my other colleagues on the Opposition Bench for their respective contributions during this debate. [*Desk thumping*]

Madam Vice-President, there is a saying in Tobago "When family drum a beat doh dance to de rhythm." [*Desk thumping*] The temptation there is not to get in Tobago's business, and I only intend to respond to the extent that I think it is important to say that much of what the hon. Minister of Tobago Development said this evening was said in the other place and I would have heard before and it would have been responded to before and for which I believe that my hon. colleague, Sen. Shamfa Cudjoe, dealt with honourably. [*Desk thumping*]

Like Sen. Vasant Bharath and many of us, I love Tobago and ideally, particularly as a female member of the Senate and of the House. You know, ideally, one gets worried from time to time when we realize sometimes the tenor of debate, the tone of the debate and probably even sometimes the intention of what—certain things that are said. All I could suggest, having first started my political career in the Senate way back in 1995, and recognizing that things have changed substantially in terms of the style, the tone and probably even the substance, one could only hope that we would all remember that after our political careers we continue to be normal citizens, and sometimes have to depend on each other for all kinds of things.

Maybe if we remember that we will take a whole different approach, sometimes in terms of how we conduct—our attitude and conduct, the manner in which we present our debate. That is the most I will say as it relates to Tobago

because it has been dealt with very well and I think the Tobagonians are quite capable of dealing with their issues and the Tobago House of Assembly, under the distinguished leadership of the Chief Secretary, certainly by the results of the people of Tobago in the last THA election, has been doing an excellent job. [*Desk thumping*]

Madam Vice-President, if my calculation is correct, the People's Partnership will celebrate 120 days in office tomorrow. Am I correct? Oh, you all are aware? I take this opportunity to congratulate them on having attained success at the polls on May 24. Having said that, based on their promises and utterances, I am sure that they are aware that there are great expectations from them from the society, from people in both Trinidad and Tobago and, of course, the proof of the pudding will be in the eating and we all await to see whether or not they can deliver on all those campaign promises.

There are some more seasoned politicians on the other side and they would tell you that today when someone visits your constituency office, and I will refer to my colleague, Sen. Panday, and they ask you for a drain today, tomorrow they will ask you for a house and the next day they will ask you for a job and the following day they may ask you for something else. The extent to which on each occasion you give the impression that it is very easy for you to deliver, is the extent to which you will recognize that the job as a politician is not an easy one and, therefore, when we make promises, especially if we do not deliver, we later will have to deal with that in terms of how the population will respond.

6.45 p.m.

There are a couple areas that I would want to treat with, and I would probably want to start with the hon. Minister in the Ministry of National Security who raised the issue of crime, and to indicate that the People's National Movement will support any legislation that will improve the safety of the citizens. [*Desk thumping*] But I will go further to say that legislation is not enough.

Dealing with the issue of crime means you have to have a multi-faceted approach, and whilst they are suggesting that now that you have a new Commissioner of Police who has all the resources, that we should see a drastic improvement in crime, as I said a while ago, the population is waiting, they are judging, and they will not forget those promises. But we all understand that crime affects everyone, and we are happy to know that they are confident that with all that they have put in place, crime will be reduced and we are waiting, Madam Vice-President.

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Now, the last Acting Commissioner of Police, Mr. Williams, during his first week in office, indicated that crime was reduced for the year, and he went into all the figures. My only question, as it relates to that, is if it is that crime is reduced for the last couple months, and more particularly, under this Government, it would have no doubt been as a result of the actions and leadership of the former Commissioner of Police, Mr. James Philbert. [*Desk thumping*]

Sen. Panday: Good one, Penny.

Sen. P. Beckles-Robinson: One wonders, therefore, how it is if crime was reduced under his leadership, why would you fire a person that clearly demonstrated leadership and a reduction in crime? [*Desk thumping*] That is for the population to determine.

As it relates to the legislative agenda, I know the hon. Attorney General indicated that he will be providing us with the legislative agenda. The hon. Minister of National Security listed those pieces of legislation and, therefore, we will await our contribution. We await the presentation of the legislation and we will do our best to support the legislation, once it is reasonable and, of course, ensures and protects the rights of both the victim as well as the accused person.

On the issue of agriculture, Madam Vice-President, I want to say that whilst I quite enjoyed the contribution of my colleague, Sen. The Hon. Vasant Bharath, I will ignore the comments when he said the PNM did nothing in agriculture for 50 years. I will not take that approach in responding to some of the positive things that he has suggested about agriculture.

I remember going to Belgium a couple years ago to a function, and the owner of this particular company was boasting about the fact that the cocoa that was being used for the chocolate produced came from Trinidad and Tobago. Of course, they were not aware that a Trinidadian was actually in the audience—because I had gone to a conference, and was so happy to know that there was actually somebody from Trinidad—and spoke in glowing terms of our cocoa quality.

So his comments as it relates to that are quite in order, but there are just a couple suggestions that I would like to submit to the hon. Minister. One, as it relates to access roads. Hon. Minister, you indicated that the Ministry is now preparing a list of all the access roads. I would be really shocked and surprised if that Ministry is now preparing a list. As a matter of fact, if they do not have a data bank of hundreds of roads, I will be quite surprised; and I will tell you why.

Madam Vice-President, I had the good fortune of chairing the Joint Select Committee—and I think Sen. Panday was on that committee—and they came before us and talked about the hundreds and hundreds of roads. They talked about the fact that they were ready to go at short notice. They talked about their challenges. As a matter of fact, as the sitting MP for Arima, they actually came with me, and the council and I provided a list of probably no less than about 60 roads that needed paving, which I can provide you. So I hope they do not tell you—

Sen. Bharath: Would you mind giving way?

Sen. P. Beckles-Robinson: Sure.

Sen. Bharath: Thank you, hon. Senator, for giving way. What we are attempting to do currently is to assess the roads. Clearly, we cannot do all of the access roads with the funds available, but what we are attempting to do is to assess those roads that are most at risk with regard to attempting to serve as many farmers as is physically possible. So that is the exercise we are undergoing currently.

Sen. P. Beckles-Robinson: Well, I would want to say to you that they should already have that, because I looked in your document and you talked about a food basket programme. It was the first time I heard about the fact that there was a particular area in Trinidad and Tobago called the “food basket”, and that area was the area they said that produced the majority of agricultural products; and I imagine that is where you are talking about. Anyway, just to suggest to you that they said they had that list, and I am hoping that that list I have been sending maybe since 2002, that some of those roads will finally be completed.

The other area was the area of incentives; and I want to say that I support the issue of including the second-hand tractors on the exemption list. Again, when they came before the committee, they had a booklet of incentives, which I must confess, I never saw. And on that day, MP Nizam Baksh, as well as MP Winston “Gypsy” Peters, who both live in agricultural constituencies, never knew that that incentive book existed.

Now, I was surprised at the number of incentives that already exist in that book; and having myself represented a constituency which was, in a sense, the entire North Coast and part of Arima, mainly farming, the majority of farmers that I spoke to were not aware of those incentives. I suggested to them—I mean they said they had county officers and so—you know, you can put those things in the municipal corporations; you can give them to MPs; and if you really want farmers

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to understand, Madam Vice-President, that you have incentives and you are serious about agriculture, you have to find a way where they are aware of those incentives.

As you revisit and you improve on it, I want to suggest that that is an area that you should ensure that the farmers are aware; because it makes no sense if you are going to improve on it and the persons who are to benefit from it just do not know about it. You have Internet; you have all kinds of methods. There is no sense if you put the second-hand tractors and the farmers, whether it be in Barrackpore, Mondo Nuevo, or Cedros do not have a clue that they have all these multiplicity of incentives. I do not think I need to say more because I think you understand what I am saying.

The final one is the issue of refurbishment of fishing sites. Yesterday, you listed a number of them. I do not know if that is—

Sen. Bharath: Thirteen.

Sen. P. Beckles-Robinson: Sorry?

Sen. Bharath: Thirteen.

Sen. P. Beckles-Robinson: I do not know if that is first a pilot project or if there are other sites that you will be improving on, but I want to suggest to you that in 2005, when there were 26 days of consecutive rain in January, the Ministry of Agriculture, Land and Marine Resources, together with myself, the Permanent Secretary, and all the technical officers, went to the North Coast, visited Las Cuevas, La Fillette and Blanchisseuse; and five years later, having promised them that they will improve their fishing sites and make it easier, Madam Vice-President, they have done what I call “minimum work”.

If you know the North Coast, in Blanchisseuse, it is really very difficult; and La Fillette. I just want to suggest that you consider at some time including them, as well as remembering that one of the challenges in those areas is the issue of insurance for the engines which are stolen all the time. There are some people who were compensated by the Ministry, and there are some people who were not compensated. Fishermen & Friends Association can give you that list. Of course, some of them felt they were discriminated against for different reasons, so I would really like you to consider that.

As it relates to the Attorney General, there are just a couple issues that I would like to raise. Probably the first one has to do with the issue of the fees, since I was stated clearly not to be one of the favoured ones, as the impression may have been

given. As he said, I was asked to be exempted. I think I need to clear that up, because you would recall whilst I was sitting here, I asked whether my name was on the list and he responded to that.

But I must say that I am very satisfied that my colleagues, having spoken with them—Sen. Faris Al-Rawi and Sen. Hinds—and I think that has also been cleared up by the Attorney General, that both of them are not named on that list as part of that \$84 million. I think that is very important for their reputation, their honesty, and I just want to put it on the record so that that matter would not be left.

I happened, Madam Vice-President, to be coming to the Parliament and listened to the radio stations talking about Sen. Hinds and Sen. Al-Rawi being millionaires and having received how many millions and millions of dollars. It has been played over and over on the radio stations and on the television. I think they have cleared it up. Sen. Al-Rawi never received any state brief, and Mr. Hinds has said that he has not been a beneficiary of any brief from the State.

Sen. Hinds: That is why I filed a privilege motion that was rejected, against the Attorney General.

Sen. P. Beckles-Robinson: And whilst he got briefs from the North West Regional Health Authority and, I think, two briefs from the Attorney General's office—

Sen. Hinds: Yes.

Sen. P. Beckles-Robinson:—that did not even amount to quarter million dollars.

Sen. Hinds: I sought the protection of the Parliament and I did not get it.

Sen. P. Beckles-Robinson: Madam Vice-President, I think that the issue raised by the Attorney General as it relates to fees and other things, and giving that data to the public, it is a matter that has been in the public domain. And as an attorney myself, and certainly, the Leader of Government Business being an attorney, in the public domain, we are not always ones that are looked at very favourably, particularly as it relates to doing matters and fees, and so forth. So you find that when it is that colleagues—certainly, our colleagues, and that issue is raised, especially in the context of which it was discussed, that certainly is a matter for concern.

There were some other issues that were raised—

Sen. Hinds: The Vice-President saw no problem with it.

Sen. P. Beckles-Robinson:—and that is that I think it is important to congratulate the Attorney General for his statement as it relates to the confidence in the Chief Justice. I think that would have brought much comfort to members of the Judiciary. I must say that I read today's *Express*—I do not know if you had the chance as yet—and there is an article entitled, “Why the TT PM must fire her Justice Minister.”

Interestingly enough, Madam Vice-President, that is an editorial from the *Gleaner*, in Jamaica, and that editorial was done on Tuesday. It tells you that this is a matter that has engaged both regional and, no doubt, interest in other Commonwealth countries. Because those of us who have had the benefit to attend the parliamentary conferences—and I am sure you have, yourself, and many others—would know that they pay very close attention to issues and decisions.

And I am sure even your decision today would be one that would find itself at some point in time into one of our parliamentary magazines that come to us from time to time. That document, of course, went through what was said, and they had concerns about what is happening in Trinidad and Tobago, and they dealt with it to some length.

The final matter is the issue of the San Fernando Court and the Arima Court; and I know the last Attorney General, and even probably the Attorney General before that, has spoken about improvements to the San Fernando Court. And it would be of credit if this Attorney General can get that matter sorted out. As I practise, I go to San Fernando, and I am aware of the terrible conditions under which the attorneys, the judges and the magistrates—*[Interruption]* I can only hope that this time it will be—for whatever reasons, I do not know, but it will be to his credit if that can be done.

7.00 p.m.

As it relates to the Arima Court, I was happy that the Attorney General indicated that the Minister of Planning, Economic and Social Restructuring and Gender Affairs was assisting in terms of obtaining a parcel of land. This is a matter that has gone from different political parties and governments. We are aware that they had indicated they were going to build a High Court in Arima; again, the Attorney General's Office was before the Joint Select Committee. It was interesting to note that part of the reason they gave for this issue not being advanced, was their not wanting to trespass on the authority of other ministries. In other words, you have the Ministry of Planning, Economic and Social Restructuring and Gender Affairs, the land department, the registry seeing about land, who is seeing about the design and who is seeing about the funding.

It is interesting, Minister of Planning, Economic and Social Restructuring and Gender Affairs, if you look at that, because you would understand that sometimes when we accuse other governments of the difficulty to implement, we do not realize that whenever you have several ministries involved in taking a decision, it is really a question of turf. That turf issue often causes the citizens to be put at a disadvantage. In the case of Arima, and probably even in other cases, that has been the issue; but the fact that we are closer to finding a piece of land, all the much better. You would realize that the staff in Arima went on strike and were not prepared to go back into the courts. It lasted for quite a long time and eventually they agreed to go, but a lot of issues are unresolved, so it is a very urgent matter.

As it relates to the Ministry of Legal Affairs, the question was raised regarding the issue of rent restriction and ensuring that the rights of the tenants and landlords were protected. With your leave, Madam Vice-President, I want to quote the Minister of Legal Affairs in his contribution:

“As an interim measure, the Ministry of Legal Affairs is contemplating the reactivation of the Rent Assessment Board until such time as the Government can develop a proper mechanism that would ensure the affordability of rental properties, whilst respecting the need for landlords to get a fair return on their investments. One of the options before us is to pass legislation for the establishment of a Rent Restriction Tribunal which would deal with the subject matter of rent, tenancy and land tenure.”

This is a matter that should be important to all of us. We are talking about protecting the interest of the landlord and the tenant. The reason this piece of legislation lapsed was because there was no cooperation between the then PNM government and the Opposition UNC at the time. The legislation lapsed and since then there has been chaos as it relates to this whole issue of landlord, tenant and the rights of tenants. Of course, the board has not been appointed.

Wherever you have a situation where the demand for houses is greater than the supply, it means that many tenants are put in a situation where the demands for rent become so exorbitant that many people cannot even afford to rent. I guess sometimes when we talk about the issue of squatting, we have to look at the whole issue of rent restriction, the issue of demand and supply and ensure that we take the kind of decisions recognizing that it is not a simple issue to deal with.

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The fact that the Minister of Legal Affairs has put it back on the burner, I am really very happy and we look forward to that legislation coming before the Parliament as soon as possible.

Unfortunately, Sen. Mohammed is not here, a young Senator who raised some issues. I am sure he would hear my comments at some point in time. He talked about the fact that the former government had done nothing in the tourism sector and that was so far from the truth. Trinidad was voted the island of the year in 2009 and that was by virtue of persons who come to Trinidad. Tobago was voted, six years in a row, from 2003, as the island of choice by tourists. That period 2003—2009 was while the PNM was in office. [*Desk thumping*]

I want to highlight very quickly some of the achievements in tourism. I listened to the Minister of Tourism, and while he did not say that he was continuing some of the projects which existed before, those of us who have been listening over the years know that is the case. Some of the successes: Ongoing training for operators; the fact that they have now established one major tourism conference centre, and that is now booked for the next three years; we have hosted the 12th Annual Caribbean Hotel and Tourism Conference; the 15th Annual Florida/Caribbean Cruise Association Conference and we have opened the Grande Riviere Visitor Centre, which is very important to the people of the North Coast. I am sure that my good friend from Toco, Sen. Prescott SC, has visited that centre and is very happy that over the years they have finally gotten a centre where persons can come and find out about the North Coast.

Of course, I do not share with him that the area probably going all the way from Matelot, Grande Riviere, Cumana, is nicer than Las Cuevas going all the way to Blanchisseuse, but we could have a difference of view and still be friends. I suppose having represented that area, I have a bias, so I cannot help it.

We provided financial and technical assistance to the Turtle Village and partnered with BHP Billiton and Atlantic LNG. Arthur Lewis Institute of Social and Economic Studies hosted the first ever Conference on Turtle Conservation, Eco-tourism and Sustainable Community Development. As you know, Trinidad and Tobago is one of the countries in the world where we now have probably the fourth highest number of leatherback turtles coming to nest. That is as a result of Ministries of both Agriculture and Tourism merging to ensure the success of that project. We expanded the visitor programmes, San Fernando, Chaguanas; transformed the Emperor Valley Zoo into a modern city zoo. I have done improvements at Las Cuevas, Manzanilla, Vessigny; partnered with the

Queen's Park Cricket Club and the TTT Incoming Tour Operators to set up an art and cricket heritage museum; expansion of the lifeguard services.

If you go to areas like Salybia, Los Iros, Manzanilla and Mayaro that complained about no lifeguards, you would see that they now have much better facilities and are in a better position to ensure that people are much safer when they go to bathe. We also developed a tourism policy. As my friend, Sen. Cudjoe, said, over the last couple of years you now have several new airlines coming into Tobago and an increased number of visitor arrivals. We have had an increased number of persons coming on cruise ships. Notwithstanding the fact that tourism sectors have declined all over the world, Trinidad and Tobago still continues to do very well in the tourism sector.

Madam Vice-President, I want to raise some issues as it relates to health. In the contribution of the hon. Minister of Health, the allocation was some \$3.674 billion. A lot of time was spent talking, again, about what the PNM did not do; everybody seemed to have a first page to talk about what the PNM did not do and then they went on to what they were going to do, which most of the time was what the PNM was already doing. [*Desk thumping*]

I would like an explanation from the Minister regarding the issue of decreases in allocation, both in human resources and in the personnel area. I have seen a reduction for the North West Regional Health Authority by almost \$12 million, which includes the NIS; in North Central, there was a reduction of \$2.5 million; Eastern Regional Health Authority, a decrease of \$1.7 million and South West, a decrease of \$9.7 million. [*Interruption*]

Sen. Baptiste-Cornelis: You may have missed it, Sen. Beckles-Robinson, but I did address it. I said it was due to the fact that public servants who were coming in under us were now going under the RHA for better management. They would be paid out of the RHA's entire budget. The budget they had was from the Ministry of Health and these persons were being transferred to be RHA workers. They no longer would be paid as public servants under the Ministry of Health.

Sen. P. Beckles-Robinson: Thank you for that explanation; although, if that was the case, you should have had that allocation going somewhere else. That is what I am not seeing, so maybe on another occasion that could be dealt with. That explanation would clearly be something as it relates to the unions or somebody; that is a matter which should be dealt with and given probably a little further explanation.

There are two other areas of health, and one is the issue of board appointments. For the last couple of months those several authorities have not been run by any

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board. Of course, you have a challenge there and the same issues you raised; sometimes the issue of tendering, procurement, even consent for mortgages, the issue of corruption, which you have raised. It means you are really leaving probably just a few people to make those decisions, because at the end of the day the hospital has to be run. That is a matter I think needs your urgent attention.

You would have seen—if I am not correct—the *Guardian* of Sunday where there was an issue raised about the wards maids from Arima who said that they were now going to be classified as cleaners. I read the article and I have not been able to grasp how that shift had been made from a wards maid to a cleaner.
[*Interruption*]

Sen. Baptiste-Cornelis: As the article indicated, what happened with the wards maids in the Arima District Health Facility was that when we did the RHAs, people were transferred across with their substantive positions they had in the Ministry of Health. Some were wards maids and they carried that title across with them, but actually in the district health facility there were not any wards, so the actual job of wards maid should not have been there. These persons were made aware of it by the PNM on February 18 in a letter that at the end of their contract period they would be called cleaners in keeping with the duty they do. That was also in the article.

Sen. P. Beckles-Robinson: May I ask if that would affect their terms and conditions?

Sen. Baptiste-Cornelis: It would affect their terms and conditions, but they are fully aware that as a wards maid there are certain conditions and as a cleaner there are certain conditions. When their contracts expired, they were told on February 18 that they would be going to a cleaner which was the correct classification. They had been given temporary positions, in that, in the aim by the RHAs to fill the positions as the substantive ward maids retired or resigned and their positions were no longer valid. These persons were aware that they were taking positions and actually being paid by taxpayers much more than what the job required of them.

7.15 p.m.

Sen. P. Beckles-Robinson: Okay. Thank you for that explanation. I hope that both those persons whose terms and conditions would be affected, that they would be appropriately communicated to so that they would be aware.

The other issue is that of the Children's Life Fund. I know in the Minister's contribution she indicated the children who have already benefited from this Life

Fund and I am sure if you looked at the television you would have seen that that is a matter that the hon. Prime Minister is addressing at the United Nations. Now, my only concern is that whilst we have—and I know you have spoken about issues of transparency and so. I think what most people will be comfortable with is whether or not there will be legislation for the purposes of setting up this fund; whether there would be a board. Is that fund under your ministry? Is it under the Prime Minister's ministry? I probably could read an opinion from today's *Express* which I think, in a sense, captures most of the concerns of not just the Members of Parliament but other members of the public. And that is today's *Express*. It says:

“Addressing the Millennium Development Goals Summit at the United Nations...(the hon.) Prime Minister asked UN leaders and international organisations to partner in supporting the Children's Life Fund.

This fund will make it possible for sick children to go abroad for medical treatment which is not available locally...

That is, as the Prime Minister has said, a noble initiative. Since public money is involved, however, it is necessary to look this gift horse very carefully in the mouth. Speaking during the budget debate...on Tuesday, Health Minister Therese Baptiste-Cornelis stressed the importance of transparency and accountability in the public health sector, and this applies equally to the Life Fund.

The fund has now been launched both at home and overseas but, as the Prime Minister has also noted, formal arrangements for it have not yet been put in place.”

Of course, if you read much further down you would see that they have, of course, spoken about the issue in relation to the scholarships at the time granted by the People's National Movement and they talked about the same issue of transparency and at the end they said:

“Even more sensitive issues will inevitably arise in the handling of a medical fund. It is essential to lay down satisfactory procedures and regulations, and equally important to make them public before the Children's Life Fund is activated and any money given out.”

Now, the point is, we know that money has already been given out, but—

Sen. Baptiste-Cornelis: Excuse me again. Let me clarify. As I said before, the money that was given out has been given out of the assistance fund that we have there for needy people. It is something that your Cabinet passed long ago

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which allowed us to give out US \$10,000 and you can give more, up to \$1 million with the fact that the Cabinet has noted it, which is what we have been enacting; which is what we said the PNM could have done all the time before. However, we cannot continue giving from that fund, because that fund is also used for other people who cannot have operations done in the public sector. And as Sen. Drayton has said, we appreciate the fact that we need these legal things to be done and as I said in my speech, there is going to be both private and public getting involved; there is going to be legislation and it is going to be run by popular fund managers. I did have all that and it is in the *Hansard* if you would like to look at it.

Sen. P. Beckles-Robinson: I do not need to look at the *Hansard*; I listened to your contribution and if you are listening to what I am saying, the fact is that we are talking about time frames. So the fact that you talk about the fact that it has to be done and it has to be done, what we are saying is that you should do it. Okay? And if it is that you are—[*Desk thumping*—it is already said. You would recall that the Prime Minister went to Jamaica and moneys have already been collected to the Fund. All I am saying to you—

Sen. Baptiste-Cornelis: Moneys have been put in trust and they have not been deposited into any Life Fund—

Sen. P. Beckles-Robinson: I did not give way, you know.

Sen. Baptiste-Cornelis: Sorry, darling.

Sen. P. Beckles-Robinson: Thank you. The bottom line is this. All I am saying, whether it is in a trust fund, it is a fund. The point I am making is if you have this fund set up and that is the fund from which you are going to allocate moneys for the purposes of children having their medical, the point I am making is that if you are going to do the legislation, do the legislation and, probably what should have been done is the legislation should have been done first. [*Desk thumping*]

Sen. Hinds: So we will get some accountability.

Sen. P. Beckles-Robinson: Okay? If it is that you are going to use every opportunity; you go to Jamaica; you went to the United States before; you go back to the UN and you are talking about it, all I am saying is that it does not take us long to do the legislation. It is a matter that is of great substance. It is critical; it is important. Nobody is saying anything is wrong with it. I mean, we all know and we all—there are children, whether you are MP; whether you are a parent, people come all the time and some of the requests are substantial. My only point is that there should be a time frame in which this legislation could be done.

The hon. Attorney General talked about his legislative agenda; the hon. Minister in the Ministry of National Security mentioned his pieces of legislation, so all I am saying is that is one that could properly be on the agenda and indicated that it ought to be given priority; very simple.

Sen. Hinds: Accountability, criteria, slush fund.

Sen. P. Beckles-Robinson: Moving on from the area of the issue of health, but a matter that is related and I know that Sen. Corrine Baptiste-McKnight touched on it just a bit is the—and I am hoping that the hon. Minister of Finance would probably give us some kind of indication as to this issue of introducing milk in schools. Now, I do not know if—I mean, I know that Dr. Gopeesingh is not here but he is a medical doctor and maybe he would have been able to guide us, but I am sure that by now the hon. Minister of Finance would have seen several letters in the newspapers, which I am not going to read, and there are several concerns that have been raised. And if you go to UNICEF or the World Health Organization, you would see that if they recommend something for school feeding, one of the things that they do not recommend is milk.

I mean, you know, sometimes when we say these things people feel that you are just here to criticize. At the end of the day, I mean, we are all part of the Government as well and if you have advice that you know about, you give the advice and I would think by now somebody should have told the hon. Prime Minister that if she is going to the United Nations to make a speech, she should not go and say that one of the things the Government is going to do is to be giving milk to Trinidad and Tobago's children, when internationally that is not something that they advise. [*Desk thumping*]

Sen. Hinds: She did not know.

Sen. P. Beckles-Robinson: Because, I mean, you know, at the end of the day, people talk about—for example, you are going into a school feeding programme; if you have to decide on the basis of nutrition and the Government has money to spend and the Government has to decide well, “There are five or six or seven things that I would like to give for the purposes of nutrition”, then it is all within your discretion to decide, but at the end of the day you want to make a choice that is consistent with world health records. And we are signatories to treatise for which this particular decision could embarrass us. So we need to check it. And I am sure that there are people in the People's Partnership who could give you that advice. I am not making it up and I am not here to score points.

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I now want to deal a little bit with the issue of the contribution by the Minister of Public Utilities. The Minister of Public Utilities spent a lot of time talking about the fact that there have been so many thousands of persons that have been working at WASA and the money that has been spent—

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

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

Question put and agreed to.

Sen. P. Beckles-Robinson: [*Desk thumping*] I want to thank Madam Vice-President and all my colleagues. I want to spend most of my time on a particular topic, so I will be very brief on this issue of WASA, which is very close to my heart. Because, you know, the hon. Minister—and he has been a former permanent secretary so that I think he understands even more than I do, the complexities of water, waste water and even more importantly, WASA.

When I became a Minister in 2000—well, I became a Minister in 2001/2002, but I went to Public Utilities in 2003 and I will give you this example so you would understand what I am talking about. The first week that I came, there was a Motion by, at that time, the hon. Ganga Singh, now CEO of WASA, talking about the fact that there was raw sewage in the water for citizens to drink. It was a Motion on the Adjournment and I was asked to respond. When I got the first answer, having read that, I called and asked him for a postponement; when I got the second answer, not prepared by me but prepared by them, I asked for another postponement. Then I had to get help to do the third answer. I am sure you know what I am talking about. Okay?

So that, you know, sometimes it is very easy to come and lay blame, you know, but when we actually get down in the trenches and understand the complexity of some issues, we realize that it is not as easy as we think. I would simply say to the hon. Minister of Finance, as the former Prime Minister had said, that we are going to make every attempt to fix WASA.

Minister of Public Utilities, since you have said all you have said, I assume that you will fix WASA and if you do that, at this point in time it is difficult to say what exactly would be the credit you will be given. Because you make it sound simple but you, of course, know that it is not that simple. You have been to conferences; you have all the data and we know that this issue of water and waste

water is an issue in every country in the world. Probably Aruba might be one of the few countries in the world which has been able to change all their pipes at a—*[Interruption]* Small, precisely; one of the few countries. If you do the research on water, in the United States you will be amazed. Now that is not an excuse for some of the problems that have been going on in WASA; that is not an excuse for it, but I am simply saying it is not a simple issue.

You know, I am sure that you could give more stories than I can, that today—and the former Member for Princes Town South would tell you that you approved funding for a line five miles and when you think two years later that has been done, it has not started yet. Now, of course, they will blame the Minister for that. But are you going to go everywhere to make sure those things are done? You have to depend on the credibility of those whom you pay to manage, and that is a problem we have sometimes in Trinidad and Tobago, not just—in so many institutions; the credibility of people.

You talked about the Navet Trunk Main. How did that come about? It came about because I was going to—at that time—MP Nizam Baksh's constituency because he wanted me to see a project, and I stopped at Malgretoute and somebody recognized me and they said, "Miss Beckles, I want you to go and see something that WASA is doing"; the same Navet Trunk Main. I saw people diving feet into the water—pure mud—to go and fix a leak. And we went up miles, you know; going up into the cane. And at that time I decided this has to stop.

But you cannot physically go and—I went to Cabinet and I got it approved, but you know very well that the fact that Cabinet makes a decision for \$533 million, does not mean the money is in the ministry. You know that. So to suggest that that money was in the Ministry, that is totally false and those records are not difficult to check. The allocation in 2006/2007 was \$70 million, because of the complexities of the geological structure of that area, Princes Town, Tabaquite; the clay, and the fact that you have shifting sand all the time.

7.30 p.m.

Yes, they bring back a costing to do it; but in your mind, when you hear the costing, you begin to wonder, but you are not an engineer. The first thing, as the Minister, you object to it and they say that you are stopping things; you do not want things to proceed. So when you look at the data—and it is there about the Navet Trunk Main—you will see for yourself that there are many areas, like Cedros and so, where you try everything under the sun because you know that the water is in the north. It needs to go to the south.

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I understand this argument about desalination because I am very passionate about the environment. You understand that there are times when you have to make temporary decisions until you get those lines down. There are people who would tell you now that, similar to the smelter, there are desalination plants that are environmentally friendly. The question is: Why can we not do some for Cedros and some other places while we are doing the pipeline so that those people can get some water? Those are some of the issues that we have to decide. I wish you well.

What you did not say was that there is a Cabinet Note for \$1.35 billion, approved just recently, and that note will do almost all the things you said you are going to do because the survey shows it. That was not mentioned. The only way you can achieve that two days a week is because of the approval of that funding. We leave that.

I come to my last point, which is the issue of Colonial Life Insurance Company Limited (CLICO). Hon. Minister of Finance, I would probably take a different approach from a number of persons on this matter. I would like to say that uneasy lies the head that wears the crown. You have been appointed to that position with a lot of credibility and there are many people who, when you were appointed to that position, had a certain measure of comfort that the economy would be in a better place. There are many people in the financial and business sectors—and I am on the opposite side of this, so I am not trying to bolster you up—who have a certain measure of comfort, that is why I say: Uneasy lies the head that wears the crown.

You are placed in a very difficult position because at the end of the day whether or not you review this, ultimately will depend on the legacy you choose to leave. That is what it is about; the legacy you want to leave. There are some people who may leave legacies of building; some of legislation; some people may leave legacies of leadership; but at the end of the day, you are placed in a ministry that has the ultimate responsibility to chart the future of Trinidad and Tobago.

This issue on Clico is touching almost everybody. I could declare that I am one of the clients of Clico because I do not want it to appear that you say things and somebody finds that is why she talked about it. The bottom line is that it is ultimately in your hands to determine how this matter is sorted out. I am not a pastor, you know, but you always have to pray about decisions you have to make and you have to pray that the people who give you advice are giving you genuine advice; that the people who give you advice are not giving you advice for their own personal aggrandizement; that they, at the end of day, do not have interest 20

years down the road; two years down the road or 10 years down the road. When you make this decision, you make this decision in the interest of the people of Trinidad and Tobago, without fear or favour.

There are people who will give you all kinds of advice—

Madam Vice-President: Could you direct your attention to the Chair, please?

Sen. P. Beckles-Robinson: There are some people who will feel that sometimes when they give you advice, they can “bamboozle” you, for want of a better word. It is the time when you have to utilize your education, your experience; you have been teaching; you have the benefit of years of experience. Now is the time you have to utilize your experience in making your decision.

I will tell you why. This is a situation where you have credit unions, 400,000 members; Clico 250,000 members; you have a situation where there was a promise of bailing out the Hindu Credit Union (HCU), but in essence, when you look at the data, 97 per cent of the Hindu Credit Union members will get their \$75,000. When you look at the data and the shares, they are basically in a much better position than everybody else. That is why we have to be careful about issues of equity and perception, even if we are dealing with a campaign promise.

At the end of the day, there are people who are going to get a triple whammy. You are a member of the credit union; you have also invested in Clico and the credit union has also taken your money and invested in Clico.

When I listen to some retirees, people are really panicking about their ability to buy groceries. Some people are not sympathetic to Clico people. Some people feel you should know better; some people feel you were greedy, you want 12 per cent; you want real money; but all the guarantees given by the last government and the guarantees given by the Central Bank—and we have those guarantees—and, even more importantly, the question on the minds of the public, even if you give a guarantee that talks about 20 years now, if the PNM guarantee and the Central Bank guarantee were not good, why is the guarantee being offered now by this Minister of Finance good. It can change at any time.

This is an issue really of confidence and, at the end of day, we expect that whatever decision is made, the hon. Minister to Finance understands that we are going through difficult times. We look at the \$13 billion in receivables that is a challenge to collect. He may be going to the IMF at some point in time and they ask those questions and I can only tell him to ensure that whatever legacy he leaves is something that when he has left politics he can be proud of.

Thank you, Senators.

The Minister of Finance (Hon. Winston Dookeran): Madam Vice-President, we have come to the end of a historic debate in this Chamber and the other Chamber. I must say I feel a sense of gratitude to all the Senators who have spoken both here and in the Lower House.

I felt that coming out of this debate was a genuine desire to find common ground and it was in that context that I listened attentively to what I heard here and in the Lower House.

Finding common ground is not always a matter on which we can all agree, but we can strive to find that common ground. In that context, I want to address a few of the critical issues raised in this debate so that we can have a greater acceptance of the search for common ground.

Perhaps I could start with the Clico issue, since the hon. Sen. Beckles-Robinson ended with that and I appreciate her words of advice. I assure her that when you hold public office you are ultimately responsible for the decisions you make and the decisions you may ask your Cabinet to make. It is in that context that that responsibility calls for one to agree on a formula to serve the common ground about which we speak.

We had a contribution earlier by Sen. Prof. Patrick Watson, who outlined many of the myths that have developed in the public arena with respect to this issue, so I would not go over those grounds. However, I want to make one or two points that will at least deal with some of these concerns, especially the concerns expressed in the newspaper recently by a group called the Clico Depositors Interest Group.

I think it is important for us to clear the air on a few issues. First, there is the issue of guarantee that the previous government had indeed guaranteed and the Central Bank had reinforced that guarantee; and that that guarantee should be honoured. What was that guarantee? The guarantee, I am told, is the guarantee that all the depositors' funds would be paid and presumably be paid immediately.

That guarantee, however, belies the point that there is a distinction between the willingness to offer a guarantee and an ability to do so. There is no doubt that by the action of the previous government, in spite of their words they did not have in their deeds the ability to do so. That is why 18 months after this matter erupted there was no solution in sight. After the government had put in \$5 billion and a further \$100,000 to the British American Company; and the Central Bank had put in \$2.1 billion to protect the depositors of CIB and to purchase the Caribbean Money Market Brokers (CMMB), amounting to \$7.3 billion, for 18 months there was no action with respect to honouring this verbal guarantee.

In that context, when we came into office, we were given a situation of a legacy that here was a reckless guarantee given spontaneously by a government whose agenda was misguided. Having said that, it was now our responsibility to deal with it.

7.45 p.m.

On May 24, we were elected. On June 07, we took a decision to establish a select committee with high officials to look into this matter; decisive action. For 18 months before, the government had no answer to deal with the problems other than the first set of interventions they made, which created some of the problems. By July 20, 2010, the select committee reported on their assessment and their findings. In early August 2010, the Cabinet took a decision to agree on the framework for finding the solution and here we are in the early part of September 2010, with a solution we have offered to the people of Trinidad and Tobago. If that is not decisive action, I do not know what is. And what was missing all the time in this was a set of promises without any ability to honour those promises.

I want to assure this Senate that the proposals we have put forth—as the Senator said: “Could you trust the Government?” The previous government did not honour. Would you trust this government for wanting to honour whatever we have put forth? The difference is very simple. In our proposal, we are offering paper, certificate, bonds, sovereign bonds. We are transferring the responsibility to meet our commitment from the enterprise to the State. It is sovereign bonds and sovereign bonds are always honoured by any government there is in the world. That is the fundamental difference.

Sen. Beckles-Robinson: I just want to ask a question. Why 20 years and is there any possibility of a reduction?

Hon. W. Dookeran: Sure, we will get to that. I just wanted to establish that we are acting. What we said in our proposal is that there will be 20 one-year bonds and that it will be sovereign bonds. Those who are receiving that, and there are many, have the assurance that they are sovereign bonds and they will go down into the National Treasury of Trinidad and Tobago.

We are also suggesting—contrary to what we found, was a company that is now engaged in what was described as a disorderly liquidation, that is Clico. When we came into this business almost two years after it erupted, that company was described as being in disorderly litigation. It was therefore necessary to decide whether to allow it to continue into that disorderly litigation. Now, that was a serious issue because it did affect many people other than the policyholders.

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Therefore, that option was disorderly because there were already claims on the Clico portfolio. Therefore, what we are proposing now is to remove that disorderly liquidation and take on the challenge of rebuilding by integrating the Clico operations with BAT and making it possible so that it can be divested some time, saving the institution for the future. I do not want to give the impression that is going to be an easy job, but what I can tell you, and when I spoke in the Lower House, I said that we were in fact taking a courageous position. We said that we will take on the challenge to reorganize, refit and prepare what is an institution; the legacy that we inherited was one that was about to liquidate itself disorderly. I think that is an important point for the general public to understand.

Thirdly, this institution was in the name of some—exhibit was being bled. As of the end of June 15, 2010, Clico's total cash outlay equalled \$1 billion. The sum of \$650 million were to EFPA benefit payments—that is some of the people who are now saying that they should be paid principal and interest and that they should be paid principal and interest now; traditional insurance benefits, \$160 million; commissions, \$41 million; salaries \$13 million; \$47 million in loan payments; and \$127 million in other operating expenses. When the Government put this money in, the growth prospect of that institution began to fall and they were simply bled. Not only were they in a state of liquidation in the accounting sense, but they were bleeding. The average cash outflows outlined above, equated to approximately \$188 million per month.

When we stepped in decisively on June 07, we had to control this liquidation process that was in place. We had to stop the bleeding that was happening and we had to quickly find the solution that will satisfy the national requirements; all three at the same time. What were the national requirements? We could have taken the flippant guarantee of the last government and say we will honour everyone. It was never made in certificate, it was made in statements. Then you would have had to go and borrow or cut your expenditure or raise your taxes as the case may be, if you can, to the tune of the figures which were already pointed out, \$7 billion or thereabouts. Therefore, you had to ensure what you were doing would protect the national financial framework; one of which was to keep the fiscal deficit within manageable proportions. Another is not to put this country in a debt position that one day will work against us by increasing it substantially.

I believe it is Sen. Prof. Watson who talked about the experience of Jamaica facing a similar financial crisis some years ago, went the route, the populist route, of dealing with everything there and now and 10 years later they have found themselves in continuing fiscal problems. We were careful not to go through that

route and, therefore, we decided to move towards a solution that will satisfy the demands of the population and at the same time, will ensure that it fits into the national framework. It is in that context that the 20-year bond idea would have, over time, allowed us to pay this money; over time. But we had agreed to pay \$75,000 on the issue of equity, to all those who have had deposits of \$75,000 or more. I remember there was an issue as to whether we should restrict it to only those with \$75,000, which was going to cost us \$300 million, but we took the decision that equity required us to extend it to all and that would have cost \$1.5 billion.

Essentially, the guarantee that we have put into place is a guarantee that will be backed up by bond issues; a guarantee that will preserve the national fiscal situation and a guarantee that we make it very clear for yet another time.

In our proposal, the policyholders, which at one time would have been a risk of their annuities, medical and pensions which amount to 225,000 people, can go home safely now knowing that their policies are intact in the Clico organization.

As was pointed out earlier, with respect to the short term investors and the mutual fund investors, the figure was in the vicinity of 28,000 or 27,000 people. That is the group. Of that group, between 40 per cent and 50 per cent, I know the hon. Senator said 40 per cent, would be covered under the \$75,000. So they are going home, and if their investment is less than \$75,000, with comfort. What we are careful about is that we use the instrument of the Government to protect the small investors in this enterprise as our first priority; a reflection of the values system of the People's Partnership Government to put the people at the lower income first.

What we are talking about is a further 15,000 people or thereabouts. The noise that they have created in the newspaper looks like there is much more than that. And the fact that they are making these statements, which essentially is saying: "We want all our money. You should guarantee our principal; you should guarantee our interest and should give us now," is an act that I consider to be grossly irresponsible in the circumstances in which Trinidad and Tobago is placed.

There is a very interesting article that was brought to my attention today called: "Crisis of reasoned judgment" on this issue. It was published in the *Business Guardian*. I commend the country to read it. It did not talk specifically about our situation; it talked about this whole issue of risk. This is the caption:

"Investment is about taking risk and if you want a guarantee, be prepared for the lowest return on the market. If you are getting a guarantee to the level of the highest return in the market then something is fundamentally wrong with that proposition."

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Those who are arguing and saying: “You must guarantee my principal, you must guarantee my interest, my interest is 8 or 10 per cent and I must get it now.” Without regard to the fact that what we are telling them is that your principal is going to be guaranteed by the 20 one-year bonds, which you may use if you wish to redeem at the appropriate rate or to borrow other money from it, as a collateral, or if you do not wish to do that, in the short term, you can get 100 per cent par at the end of the first year for the first bond and for the other years you have it there as an asset, which you may, at any time liquidate, or use to borrow.

8.00 p.m.

I told a group in Tunapuna that an enterprising and creative person would, perhaps, decide to cut his loses, take the bonds and have them discounted and invest the money they get to make back the money they have lost, if they are so enterprising. So, it is a creative solution.

There is one group that I want to mention and I believe that group was referred to earlier. There are some individuals who depend on the interest, and those individuals are usually pensioners and they have no other source of income. Within a broader context, we have already begun to address, first of all, the size of that group and whether we can deal with that group from another perspective, not from the perspective of fiscal responsibility, but from the perspective of those who are genuinely so positioned. Not all of them are so positioned. I would tell you that, because the 15,000 persons who are not covered under this scheme that we have proposed, in terms of getting immediate payment, have an investment of about \$2 billion. So, we are not talking here about the small man anymore, but those who are in the specific situation.

Being a humane Government committed to inclusive development, we will find a window, but this will not deviate at all from our commitment to deal with this situation as a responsible Government, looking at today; looking at tomorrow; and satisfying the demands of today without sacrificing the opportunities for tomorrow. [*Desk thumping*]

I think much has already been said, so I would not go much further into that. Perhaps I would make a short comment on why I said in the budget speech:

“The CL Financial/CLICO issue was handled badly by the authorities from the start. This fiasco was a colossal, inexcusable, multi billion dollar mistake. This fiasco has cost this nation enormously on several levels. This fiasco has put on hold the lives

of thousands and endangered their financial future. This fiasco was caused by reckless corporate governance and glaring failure of our financial regulatory institutions.”

And someone asked, what was the alternative. This is not the time to discuss what could have happened but, clearly, the situation was misread at the very beginning.

There were two risks that emerged in the financial sector; one was the cash risk in the Clico Investment Bank and the other one was an asset quality risk in the Clico corporation. I explained on February 06, 2009 in a paper which I did and which was attended by a Government Minister, and which I presented: An approach to handling this problem, and what we needed to do was to deal with the risk before us. I would just quote:

“The prudent policy is to spread out risks away from the centre of the financial system but in the current situation, exactly the opposite happened.”

We had to spare the risk from going beyond and, therefore, it was necessary to find a different solution, because there is an early warning system, and there is an exit strategy available to the Central Bank to deal with banks that have for one reason or the other gone into problems, and it could have been the CIB was one such bank. One interesting thing, they acted with a certain amount of alacrity and speed in saving the Clico Investment Bank without regard to the other depositors.

Another way to have approached this problem would have been to disaggregate the risk in liquidity at the institution without throwing the entire system into a confidence challenge. I want to let you know that this problem is not over by the solution we have put forward. It is not over.

I have agreed to meet very shortly with some of the finance ministers in Caricom, who have been requesting such a meeting for some time, because there are implications in the Caribbean region which must be addressed. We have to undertake the challenge of trying to build back confidence in the institution and, at the same time, we have to find the necessary funding to deal with this.

So, I do not want this country to believe at this stage that this is the solution and the end of the problem. This is only the beginning of the solution. This is why I said in the Lower House and, here again, that we need to have a collective effort between all those involved, including the bankers, to find the right solution to this problem. We must maintain the principles of equity that have been enunciated on this issue.

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At this point in time, all I can assure this Senate is that we acted decisively as a Government. Within three months, we have put a solution on the table; we have generated a discussion among the people; we will engage the people and let them know the solutions and its implications to them and then we will work to do it, but 18 months before that nothing had happened. [*Desk thumping*] The matter had been left to die; we did not know where we were going; and the depositors did not know what tomorrow was going to be. They were banking on some kind of verbal guarantees that were given and were never backed up by any action. So, for those who are claiming that, I think the facts should be brought out clearly, and we will be providing more information.

We have already begun to provide information to clarify to the population what is the model that we are following, and how we shall deal with the others. I could tell you, as far as this particular article is concerned, there was also reference to the fact that—I quote the author:

“I know it is of little consolation, but the above headlines also suggest that Clico investors are not unique around the world.”

And they went on to say that this solution was far better where other people have found solutions in other parts of the world for problems of this nature. [*Desk thumping*] An independent analysis! It goes on to say and I quote:

“It recognized that most investors abroad are likely to end with lot less than is being offered in the current Clico bailout. EPA investors should also pause to consider whether the sales agents, especially those who represent themselves in the public as investment advisors, properly represented the products and whether they knew or ought to have known better.”

I venture to suggest that there is a significant presence of those salesmen in this Clico depositors’ interest group. So we have to understand what we are facing.

I could give you the assurance that we are resolved to solve this problem and solve it equitably and as soon as we can and offer the people a new hope as we leave this behind us and start the process of future financial stability in Trinidad and Tobago. This is only one that is before us. [*Desk thumping*]

I thought the statement of suggesting that there is a lack of equity in dealing with Clico and the Hindu Credit Union, I did not understand it. I thought the argument for dealing with the Hindu Credit Union, given the situation, was also one of equity and, therefore, we had to deal with it at the same time. We could not

be dealing with depositors in the Clico operation and ignore the depositors in another failed institution. I maintain the position that those who are responsible for creating this situation ought to be held responsible. [*Desk thumping*] Now, that is as far as the Clico matter is concerned.

I believe it is the hon. Sen. Dr. Lester Henry, who attributed to me some sinister motive, in suggesting that we establish an independent risk committee in Trinidad and Tobago. Madam Vice-President, through you, may I remind him—I am sure he is aware of it—that this has been the response of major regulatory bodies in the United States of America and elsewhere. In light of what has happened in the last few years, the regulatory bodies have gone up for scrutiny; the rating agencies have gone up for scrutiny. In order to protect, governments had to find an oversight committee on the regulators; on the rated agencies.

The President of the United States of America introduced sweeping reforms, not too long ago, in order to create a greater sense of risk management in the financial sector. There is nothing sinister about this. I do not know how he can even come to that view. Maybe he may have to talk to his advisors. Beyond that, the independent risk committee that I talked about would also have as its purview the state enterprises.

We have come to the view that many of these state enterprises, from a financial perspective, have been operating with a lot of risks and, therefore, we need to introduce risk management in the state enterprises so that we can then use that information as we transform that process. So, the state sector would be required to provide the necessary information now as early warning signals in case risk is developing. There are some outstanding cases that are already on the table with respect to the financial risk that some of the state enterprises have found themselves in. So, I hope this clarifies the hon. Senator's point. This is a responsible response to trying to ensure that we establish stability in our system.

Sen. Drayton: I would like to know whether the Government is going to prioritize on its agenda the legislation for the credit unions, the securities industry and insurance companies. The legislation is long outstanding on the credit unions as well as the securities industry—well that went back. Is it something that is going to be prioritized?

Hon. W. Dookeran: Well, very shortly, we shall be bringing to Parliament legislation to amend the Central Bank Act in order to assist in the resolution of this problem that I have just outlined. In addition to that, the insurance legislation has been under review, and there has been a renewed call by the insurance

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industry to meet with this new Government to review what is being reviewed. We will continue to do that shortly. So that is on the agenda.

The credit union proposals have been on the table. In fact, when I was in the Central Bank many years ago, we had taken the position that we must extend the ambit of the regulatory authority to the insurance industry and the credit unions. It has taken some time, but the proposals to do so would be brought to Cabinet as soon as the legislative agenda allows it. So that is on the cards at the moment. It has been there for some time.

In addition, I believe Sen. Ramkhelawan made mention of a specific Act which is No. 12 of 2008, to authorize the Minister to issue Treasury bonds ostensibly for the purposes of liquidity management, but the Act itself says:

8.15 p.m.

“4. (1)...moneys raised by the issue of Bonds shall be paid into a blocked account in the Exchequer Account and shall form part of the Consolidated Fund.”

I note his comments and I will look into it at this stage to see how we can deal with any problems associated with it. Those are his two wishes.

The third issue. A budget debate is a very wide ranging debate. Many issues have been raised and there is no way I could deal with that. They have been dealt with. I think it is good that Members have raised it. I am sure that Ministers would have taken note of the points that were raised as I have taken note in the financial sector. Let me deal with two other issues that I think are important for public hearing, and one has to do with the question of tax arrears. Now, for some reason we have developed a culture in this country that a government debt is worthless. That was not so when we were growing up. Government debt was good as gold. We have to move back to that position, and the large debt that we have incurred previously which is now on our table, including the contractors' debt, including the VAT debt—people who owe VAT and so forth—I estimated in my budget statement it was in the order of, I believe, \$6 billion, but that is fairly conservative and I will tell you about what the debt is.

A lot of people have been owed by the Government and a lot of people owe the Government. One of the key objectives of our fiscal action plan was to plan for a financial recovery of Trinidad and Tobago, and I want to make the point for yet another time. The tax amnesty is geared to allow the people to decide to

become compliant, by removing the penalties and the interest for prior years up to May 31, 2011, and pay the tax. I gave you the assurance that if they all pay their taxes, we will have no fiscal deficit to Trinidad and Tobago. [*Desk thumping*]

We intend to try and move it down as we go along, but this is a call. Someone had suggested to me that I should do two things. Not only I should have suggested an amnesty to pay the tax, I should tell them that if they do not pay the tax, their penalty and interest rate will double thereafter. But for now—I just raised that as a thought that has been put in mind—we will make a strong appeal, and already the Board of Inland Revenue has been charged with setting up the systems and making sure they can collect these arrears, and set up a tax charter so that we will protect the interest of the taxpayers in the process. So it is a new dispensation with respect to tax collection in Trinidad and Tobago. It will help us financially.

Sen. Panday: You see we have plans!

Hon. W. Dookeran: The other area that was raised at times and I think it was raised here as well, was whether the fiscal revenues were indeed too optimistic or not. Well, I did answer that in the other House and I did—[*Interruption*]

Sen. Dr. Wheeler: Hon. Minister, would you give way? Before you move off the point that you were just discussing, you said that a government's debt is good as gold. Could you give any idea as to when or how you intend to pay the contractors? We have discussed that and it is a serious problem. That sector has been devastated. Do you have any idea of a schedule to pay contractors?

Hon. W. Dookeran: We do not have a schedule of time. What we said is that we will—let me backtrack and say, a lot of that debt has to be verified. That is the first thing and that is taking time because the system must verify the existence of those debts, and to some extent that is a challenge by itself. But having said that, we have incorporated in our programme the releases of funds to meet it, and I believe there have been some that have already happened. Line Ministers have been asking me to release more funds for that, and within the context of our financial capability, we will be doing so.

I do not want to put a timetable on it. But let me also tell you, the contractors are only one of the people to whom we have debts. If you want to have equity, you got to have it everywhere. There are suppliers. I believe today, there was a large bill that came to us for the suppliers of something that was done four years ago. A large bill, suppliers of things, and they are now emerging.

Sen. Panday: Five years ago.

Hon. W. Dookeran: All I mentioned was what we called the contractors, but there are a lot. But we will deal with it. The key way of dealing with that is to have a serious plan of financial recovery and have activity taking place in the country, and we will deal with it as we go along. What I did do in the Public Sector Investment Programme, both with respect to the public sector, the central government and with respect to state enterprises, we asked them to allocate projects that will have construction follow through. So 70 per cent of the programmes under the PSIP have been allocated to construction type activities, so that we can generate some more action in the construction industry during the course of this year.

We know there has been a lull and there has been a lull because once you have a system as we have where everything depends on the Government's spending, if the Government's spending falls, there will be a lull in construction. If you recollect, our infrastructure development programme focused on some areas of construction activity. But to give you a firm assurance in date, I would not be able to do, but what I can say is that we are committed to honouring these debts as soon as we can in the context of our financial position.

So our first objective was to plan for fiscal recovery because that is the legacy that we inherited, that there was no fiscal stability in the system, and that is why I said we have built our system not on rocks, but on sand.

Our second objective in the budget was to rebuild the confidence in the economy, and I believe Sen. Patrick Watson spoke at length on our attempts to rebuild that confidence in the economy. I am satisfied that we have been able now to put into place the policy initiatives, which is one of the requirements in building confidence in place. When you look at the measures that we have outlined, just to refresh the Members of this honourable Senate, we outlined measures to improve production of oil and gas. These are taxation measures, specific measures:

- Measures to support the alternative energy use looking beyond today;
- Measures to increase the growth in agriculture, about which the Minister spoke;
- Measures to clean up the environment;
- Measures to generate new investment—a number of measures are aimed at that;
- Measures to sustain small business development and innovation;

- Measures to promote development poles;
- Measures to improve tax collection;
- Measures to safeguard the ownership of the people. Some very important initiatives, especially the employee ownership programme that we outlined that we will extend; and
- Measures to support social equity.

What constitutes confidence? Confidence as a pre-requirement, requires to have the right policies. You cannot talk confidence, you have to do it and I am convinced that we have now put into place the right policies to be able to establish the confidence of investors and the wider community in Trinidad and Tobago. [*Desk thumping*]

I have spoken to many and I have said what else do you want? And the answer could never be anything like now. The policy prescriptions are now in place. Of course, we have to do some more work in ensuring that the investment process takes place at a faster rate. I believe the Minister of Energy and Energy Affairs would have spoken to you about some of the new prospects in her area, and the Minister of Industry and Commerce has indicated to me the number of new prospects before us. So we are really on a path of building the confidence.

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

Motion made, That the hon. Minister's speaking time be extended by 15 minutes. [*Sen. P. Beckles-Robinson*]

Question put and agreed to.

Hon. W. Dookeran: I thank Sen. Beckles-Robinson for moving the Motion and thank the Senators for supporting it, and it reminded me of something that I felt very happy about. At the Lower House, this budget was supported by the Government and the Opposition, unanimous. [*Desk thumping*] Thirty-nine votes in favour, two were absent and I felt that was a landmark situation, and that included the Leader of the Opposition and the former Prime Minister of Trinidad and Tobago, among those who have voted. [*Desk thumping*] So, I hope that we will have a repeat here today.

Sen. Bharath: We do not vote here.

Hon. W. Dookeran: You do not vote here? Oh, I did not know that.

Sen. King: A Money Bill, we do not vote.

Hon. W. Dookeran: So our first objective in the 15 minutes I have, was to briefly put back the budget proposals in context to plan for a fiscal recovery.

Secondly, a programme for building the confidence of the country at the level of policy at least, and initiatives that will be developed on that, and in so doing, not only to put the measures in place, you are to put them in place of a medium term development strategy. So this budget is significant because it goes beyond the annual expenditure/revenue.

Thirdly, we have great use of the notion of partnership, because not only is the People's Partnership a mandate for the partnership between a government and the people, or to be a government, there is a great desire on the people to be fully involved in their own country's destiny.

Underlying this is the view that development, while it requires imports of investment, cannot be imported in Trinidad and Tobago at the roots. Development cannot be imported; it depends on the people, and it depends on creating the entrepreneurial economy of which I spoke at length. In addition to that, it reflected our desire to work in partnership with different groups, the artiste's coalition, and all the proposals that they have put forth—the Association of Psychologists about which Sen. Baptiste-Mc Knight spoke; civil society; and very shortly, conversations will start on the establishment of the Civil Society Board that we had indicated as one of our proposals in our manifesto.

8.30 p.m.

The utilization of the talent of UWI, UTT and COSTAATT to do two things in the short term; one is to design the educational facility in Tobago. We make no distinction. We believe if Tobago becomes prosperous, Trinidad and Tobago becomes prosperous [*Desk thumping*] and, secondly, with respect to our plans for East Port of Spain as one of our growth poles and to undo what has been done in the past—you will recollect a recent newspaper article in which it was said the *PNM caused decay of east POS*; headline:

“The People’s National Movement (PNM) caused the decay of east Port of Spain, the capital city’s Mayor, Louis Lee Sing, has said.

Lee Sing, a member of the PNM, chastised the party for its mistreatment of areas in East Port of Spain during its tenure in office at a town meeting...in Woodbrook...”

Strange. Strange. I do not think I spoke to Mr. Lee Sing on this or any other matter. We had—the third growth pole would be the East Port of Spain area, [*Desk thumping*] and I suggested that we should establish a special task force including civil society, University of Trinidad and Tobago and UWI to develop a creative plan for a new entrepreneurship in small business development, particularly in East Port of Spain, among other things.

Now, I do not expect people to have confidence until you do it, but they have had umpteen years of PNM rule which has not done it, so we shall have to ensure that we start that process and already we have begun to set up the committee to look in to that. I hope too that the University of Trinidad and Tobago and the University of the West Indies would come in full force to work with us because they are supported by state funds, and, if they are supposed to be a repository of new ideas, we intend to embrace those new ideas in dealing with your social problems in this country, particularly the problems of revival of our capital city, Port of Spain, [*Desk thumping*] and we will keep the population informed. [*Crosstalk*] Well, the specifics I outlined in the growth pole.

The issue of partnership has been an important one, so let me—[*Crosstalk*]—our objectives therefore, Madam Vice-President, this is what we have proposed. I am happy to see that the other House has voted unanimously in support of this. I said it was a clash of ideas at times. I think when I heard Sen. Dr. Lester Henry, I realized it was a real clash of ideas especially when he talked about Reaganomics and charged us for being Reaganites, or whatever it may be, a word that I have already forgotten.

The proposals that we have earmarked are proposals that were developed by the minds of the people of Trinidad and Tobago, by those of us who have been put into the government in the People's Partnership. It is a result of our discussions with the people of this country. It is a strategy that is based on the fact that development cannot be imported, that development depends on the people of this country and our legacy will be to initiate the process of sustainable development in Trinidad and Tobago. [*Desk thumping*] That is what we hope to achieve.

So Madam Vice-President, I must end by saying that the clash of ideas is inevitable, in fact, this is what the election was all about. It was a clash of ideas that the people recognized and they decided the ideas of yesterday must now give way to the ideas of today and tomorrow. [*Desk thumping*] It was also a clash of those who believed that nothing can happen with those who believed that with courage a lot can happen. [*Desk thumping*] It was also a sense to recognize that

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we must capture the aspirations of our people, not to use them as if they are complainers or if they are people who will forever have to live in some kind of decadence. The aspirations of our people are for a better tomorrow and that better tomorrow will reflect itself in what I said sometime ago. The budget in the past has been a budget of, “What will I get?” This budget will be a budget of, “What can I be?” [*Desk thumping*] I thank you, Madam Vice-President. [*Desk thumping*]

I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Hon. W. Dookeran: Madam Vice-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 read the third time.

Bill accordingly read the third time and passed.

[*Sen. Hinds rose*]

[*Crosstalk*]

REPUBLIC DAY GREETINGS

The Minister in the Ministry of National Security (Sen. The Hon. Subhas Panday): I would not like to shut you out from having your say, however, if you give me the undertaking that it will not reflect on anything which was done in the House during this debate, including today, I may consider it. [*Crosstalk*]

Madam Vice-President, before I move the adjournment of the Senate, on behalf of the Government of Trinidad and Tobago and the People’s Partnership Government, I take this opportunity to wish all the people of Trinidad and Tobago a happy and peaceful Republic Day, the 34th Republic Day, which is tomorrow.

Madam Vice-President, I am certain that this would be an occasion for all of us to reflect on Republic Day. It is sad that in Trinidad and Tobago that we have not been able to exhibit this patriotism. We on this side have tried by—when one looks at our lapels, one sees our patriotic act of wearing our flags. [*Desk thumping*] We hope that schools which are now in—which have come out, we would be happy if schools reflect on Republic Day and we would have celebration among the students so that the nation may grow into a better place. Thank you. [*Desk thumping*]

Sen. Penelope Beckles-Robinson: Madam Vice-President, I would also join with my colleague, the Leader of Government Business, in wishing the citizens of Trinidad and Tobago a happy Republic Day. In doing so, Madam Vice-President, we would have all observed that on public holidays quite a few people lose their lives on the road. One would not want to judge in terms of and place culpability but what I would ask is that tomorrow, as we celebrate Republic Day, let us take extra time to be much more careful. Remember, life is very precious and that ultimately when we drive that we think of others so that we will be around a lot longer and that Trinidad and Tobago would be a much safer place. Thank you very much. [*Desk thumping*]

Sen. Basharat Ali: Madam Vice-President, I would just join with my colleagues in wishing all of us and the general public to start with a happy Republic Day tomorrow. I hope that the celebrations will continue into the public domain with our children. I think our children particularly need to be more conscious of what the country is and where we are going. I hope that we will be celebrating in all parts of our country, not just in the bars and the restaurants and the parties. Be more conscious of what Republic Day is all about.

On behalf of all our Members here on my Bench, we wish you all and to you, Madam Vice-President, a very happy Republic Day and hope you all, as we hope to do, enjoy such a day not to the fullest but to the level where we are happy and live as one people as we ought to do and as we learn each day how to do it better. Thank you. [*Desk thumping*]

Madam Vice-President: Hon. Members, I know it is late. It is now 8.42. I would take this opportunity to wish each and every one of you in this esteemed House and to the people of Trinidad and Tobago a very happy Republic Day. It is an honour to be presiding on such a momentous occasion.

On the 24th of September, 1976 the first Parliament of Trinidad and Tobago met under the new Republican Constitution and today, 34 years later, we constructively debate and freely express the concerns of our electorate and our nation and we are truly a part of our nation's rich history. We must always look forward to a harmonious, safe and prosperous country as we continue to build our nation.

Congratulations to each Member for their participation in this session and for the days preceding, and on behalf of myself, my family and all Members of this Senate I wish all the members of the public a happy Republic Day. In particular, on your behalf, I extend warm greetings to our Head of State, the Acting President

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of the Republic of Trinidad and Tobago, Timothy Hamel-Smith, as well as to our recently elevated Prime Minister, the honourable Kamla Persad-Bissessar, on her first Republic Day as Prime Minister. [*Desk thumping*]

ADJOURNMENT

The Minister in the Ministry of National Security (Sen. The Hon. Subhas Panday): Madam Vice-President, I beg to move that the Senate do now adjourn to a date to be fixed.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 8.44 p.m.