

SENATE*Friday, January 25, 2013*

The Senate met at 1.30 p.m.

PRAYERS[MR. PRESIDENT *in the Chair*]**ICT STRATEGIC PLAN**

Mr. President: Hon. Members, in 2012, the Office of the Parliament, in collaboration with the European Union, the United Nations and the Caribbean Centre for Development Administration (CARICAD), developed a four-year ICT strategic plan with the overall objective of enhancing the ongoing services to Members and sustaining the institution through the implementation of a series of initiatives to upgrade technology services while ensuring their security and resiliency so that Members and employees can better serve the citizens of Trinidad and Tobago.

Some of the key goals of our plans for the Trinidad and Tobago Parliament are:

1. All documents received or produced by the Parliament will be made available in electronic format.
2. The *Hansard* reports will be available in an open format that will be searchable and reusable by internal and external partners within the next three years.
3. The public website will contain all information needed to conform to the Inter-Parliamentary Union (IPU) guidelines within one year.
4. The Parliament will adopt a standard open format for legislation shared between all Government partners within the next three years.
5. Within the next year, the *Hansard* reports, without verified quotations, will be published on time, 90 per cent of the time within 24 hours of completion of the debate.
6. Parliamentary applications and information will be securely accessible by authorized users from anywhere at any time within the next two years.
7. Paper usage by the Parliament will be reduced by 50 per cent by the end of 2013 compared with the year 2012 usage.

ICT Strategic Plan
[MR. PRESIDENT]

Friday January 25, 2013

Hon. Members, I am pleased to advise that we are on target with all of these goals. I wish to highlight, in particular, the goals numbered 6 and 7.

First, the launch of a mobile application called the Rotunda, which is being specifically commissioned by the Office of the Parliament to facilitate the sharing of documentation in electronic form with Members.

Secondly, the distribution of an iPad to each Member of Parliament with the Rotunda application installed on it. The use of the iPad will be subject to certain policy guidelines and you will be advised of these at the time of distribution.

The distribution of iPads to Senators will be accommodated on Wednesday, January 30, 2013 and subsequent to this arrangement, arrangements will be made and communicated to you for the training of Members who so desire.

Hon. Members, the issuing of iPads to Members will allow the Office of the Parliament to do the following:

1. Reduce its use of paper which will result in significant cost savings.
2. Improve communication and delivery of documents to all Members of Parliament.
3. Provide all Members of Parliament with a single online repository for the collection and sharing of parliamentary documents.

Hon. Members, we hope that you will find this new initiative beneficial and we encourage you to use the iPad and the Rotunda, as you perform your parliamentary duties. We also look forward to receiving your feedback so that we can continue to serve Members.

Thank you.

**FINANCE (SUPPLEMENTATION AND VARIATION
APPROPRIATION) (FINANCIAL YEAR, 2012) BILL, 2013**

Bill to supplement and vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2012) Act, 2011, brought from the House of Representatives [*The Minister of Finance and the Economy*]; read the first time.

Motion made: That the next stage be taken later in the proceedings. [*Sen. The Hon. L. Howai*]

Question put and agreed to.

PAPERS LAID

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Trinidad and Tobago Postal Corporation for the year ended September 30, 2006. [*The Minister of Finance and the Economy (Sen. The Hon. Larry Howai)*]
2. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Children's Authority of Trinidad and Tobago Children Authority Fund for the nine months ended September 30, 2009. [*Sen. The Hon. L. Howai*]
3. Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Environmental Management Authority—Environmental Trust Fund for the year ended September 30, 2011. [*Sen. The Hon. L. Howai*]
4. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Lotteries Control Board for the year ended December 31, 2001. [*Sen. The Hon. L. Howai*]
5. Report of the Auditor General on the financial statements of the Heritage and Stabilisation Fund for the year ended September 30, 2012. [*Sen. The Hon. L. Howai*]
6. Annual report of the Trinidad and Tobago Mortgage Finance Company Limited for the fiscal year 2009. [*Sen. The Hon. L. Howai*]
7. Annual report of the Trinidad and Tobago Mortgage Finance Company Limited for the fiscal year 2010. [*Sen. The Hon. L. Howai*]
8. Annual report of the Trinidad and Tobago Mortgage Finance Company Limited for the fiscal year 2011. [*Sen. The Hon. L. Howai*]
9. Annual audited financial statements of the Government Information Services Limited for the year ended September 30, 2009. [*Sen. The Hon. L. Howai*]
10. Annual audited financial statements of the Government Information Services Limited for the year ended September 30, 2010. [*Sen. The Hon. L. Howai*]
11. Annual audited financial statements of the National Infrastructural Development Company Limited for the financial year ended September 30, 2011. [*Sen. The Hon. L. Howai*]

12. Annual audited financial statements of the Trinidad and Tobago Film Company Limited for the financial year ended September 30, 2012. [*Sen. The Hon. L. Howai*]
13. Annual report of the Financial Intelligence Unit (FIU) for the year 2012. [*Sen. The Hon. L. Howai*]
14. Annual audited financial statements of the National Commission for Self-Help Limited for the financial year ended September 30, 2011. [*Sen. The Hon. L. Howai*]
15. Annual administrative report of the Ministry of Tourism for fiscal year 2011. [*The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh)*]
16. Annual administrative report of the Zoological Society of Trinidad and Tobago for fiscal year 2011. [*Sen. The Hon. G. Singh*]
17. Annual administrative report of the Tourism Development Company Limited for fiscal year 2011. [*Sen. The Hon. G. Singh*]
18. Administrative report of the Arima Borough Corporation for the period October, 2010 to September, 2011. [*Sen. The Hon. G. Singh*]
19. Annual report of the Ministry of Public Administration for the financial year 2010—2011. [*Sen. The Hon. G. Singh*]

**JOINT SELECT COMMITTEE REPORTS
(Presentation)**

Sen. Subhas Ramkhelawan: Mr. President, I have the honour to present the following reports as listed on the Order Paper in my name:

**Municipal Corporations and Service Commissions-Public Service
Commission (Except Judicial and Legal Service Commissions)**

1. The Fifth Report of the Joint Select Committee established to enquire into and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commission) on a re-evaluation of the efficiency and effectiveness of the Public Service Commission.

**Municipal Corporations and Service Commissions—Statutory Authorities
Service Commission (Except Judicial and Legal Service Commissions)**

2. The Sixth Report of the Joint Select Committee established to enquire into and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commission) on a re-evaluation of the efficiency and effectiveness of the Statutory Authorities Service Commission.

Sen. Dr. Victor Wheeler: Mr. President, I have the honour to present the following reports as listed on the Order Paper in my name:

**Ministries, Statutory Authorities and State Enterprises (Group 2)—National
Drug Council**

1. The Seventh Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2) on the National Drug Council (NDC).

**Ministries, Statutory Authorities and State Enterprises (Group 2)—Water
Resources Agency**

2. The Eighth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 2) on the Water Resources Agency (WRA).

ORAL ANSWERS TO QUESTIONS

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, the Government will be answering questions 9, 10, 11, 23, 29 and 37, and seek a two-week deferral on questions 32, 33 and 36.

The following questions stood on the Order Paper:

**Tobago Regional Health Authority
(Details of Board of Directors)**

32. With regard to the board of directors of the Tobago Regional Health Authority, could the Minister of Tobago Development please state:
 - (a) the date that the Board of Directors first received their instruments of appointment;
 - (b) whether there have been any changes to the members of the Board of Directors of the Tobago Regional Health Authority since that date; and
 - (c) the names of the current members of the Board of Directors? [*Sen. Dr. V. Wheeler*]

**“Colour Me Orange” Programme
(Details of)**

- 33.** With respect to the “Colour Me Orange” programme, would the Minister of Housing, Land and Marine Affairs please indicate:
- (a) whether the programme has to come to an end;
 - (b) whether there is any plan or intention to extend the programme;
 - (c) precisely how much was expended on this programme;
 - (d) the number of jobs created by the programme;
 - (e) what was the Government’s rationale for its activation; and
 - (f) did the programme achieve its objective? [*Sen. F. Hinds*]

**LAN Chile/Dry Lease
(Details of)**

- 36.** With regard to the decision to dry lease an aircraft from LAN Chile, could the Minister of Finance and the Economy state:
- (a) who was the line Minister at that time;
 - (b) who was the chairman of the board of Caribbean Airlines at that time;
 - (c) the date of submission of the evaluation report on the suitability of any aircraft so leased to fly a transatlantic route as opposed to an overland route; and
 - (d) who were the members of the team who submitted the evaluation report and state their relevant qualifications? [*Sen. T. Deyalsingh*]

Questions, by leave, deferred.

**Preparation for Olympics 2012
(Moneys Allocated)**

9. Sen. Penelope Beckles asked the hon. Minister of Sport:

Could the Minister indicate:

- (i) The amount of moneys allocated to various organizations and individuals for preparations for Olympics 2012 and the date of disbursement of the funds to the individuals and organizations; and
- (ii) The amount of money spent generally by the Ministry of Sport for Trinidad and Tobago’s preparation for Olympics 2012?

The Minister of Sport (Hon. Anil Roberts): Thank you, Mr. President, and it is always a pleasure to be a guest here, and let me just congratulate—as we are talking about high performance, elite performance—my colleagues on the other side on their recent victory in an elite fashion; a trouncing and well done over there, and I must say congratulations. But I must remind them that they have now qualified; they have won the Caribbean T-20 and the Champions League is soon coming. That is a higher level of competition. [*Laughter*]

With regard to parts (i) and (ii) of the question, the amount of moneys allocated to various organizations and people, as well as the amount spent generally by the Ministry of Sport and the Sports Company, in preparation for Olympics 2012 was \$17,826,872.16, as detailed below:

- The Trinidad and Tobago Olympic Committee:
 - \$2,085,658, these funds were disbursed in two tranches on March 16 and June 25, 2012.
 - \$500,000, these funds were disbursed for the Olympic athletes to attend a training camp in Wales prior to the Olympic Games.
- The Ministry of Sport:
 - \$7,185,000 was provided to 60 elite athletes. These funds were disbursed between August 2011 and July 13, 2012.
 - \$3,920,358.70 was disbursed to the Under 23 football team in its attempt to qualify for the Olympic Games. These funds were disbursed on March 01, 2012; April 12, 18 and 24, 2012 and July 05, 2012.

1.45 p.m.

- \$1,000,575 was disbursed for sports psychologist services for elite athletes. These funds were disbursed on May 27 and June 17, 2011 and April 15 and August 15, 2012.
- \$1,617,985 was disbursed to experts in the field of sport training, physiology, biomechanics and conditioning. These funds were disbursed on June 14, 2011.

The Sports Company of Trinidad and Tobago disbursed funds totalling \$942,870.46, to athletes in the following disciplines to assist in their Olympic preparation:

Sailing:

Oral Answers to Questions
[HON. A. ROBERTS]

Friday January 25, 2013

May 2012	\$50,000
June—July	\$100,000
Swimming:	
July 2012	\$40,000
Cycling:	
February 2012	\$42,095
March 2012	\$50,716
July 2012	\$182,114.46
Athletics:	
April 2012	\$33,000
June 2012	\$325,445
June 2012	\$44,500
July 2012	\$75,000

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

**Personnel Attending Olympics 2012
(Moneys Allocated)**

10. Sen. Penelope Beckles asked the hon. Minister of Sport to indicate:

- (i) the names of all personnel approved by Cabinet to attend the Olympics 2012 from Trinidad and Tobago; and
- (ii) moneys allocated to all the above mentioned persons?

The Minister of Sport (Hon. Anil Roberts): Thank you, Mr. President, with regard to parts (i) and (ii) of the question, the names of all personnel approved by the Cabinet to attend the Olympics 2012, and the money allocated to them were: the hon. Minister of Sport—that is me—Anil Roberts, \$182,275.30; the Permanent Secretary of the Ministry of Sport, Mr. Ashwin Creed, \$68,603, the Director of Physical Education and Sport Division, Mr. Dave Bobb, \$124,710. Thank you, Mr. President. [*Desk thumping*]

Sen. Baptiste-Mc Knight: Mr. President, I wonder whether I could at this point address a supplementary on question No. 9. I did not catch your eye in time.

Mr. President: Yes, I will permit it, it is all on the same subject.

Sen. Baptiste-Mc Knight: Mr. President, would the Minister be kind enough to explain? He says that the sum of money spent was—[*Interruption*]

Hon. A. Roberts:—eight hundred and twenty-six.

Sen. Baptiste-Mc Knight:—eight hundred and twenty-six.

Hon. A. Roberts: Yes. But, according to information that we would be dealing with today, there was a further \$20,040,000 to provide financial assistance to athletes and the Olympic committee. This is information provided in the request for transfers from the Ministry of Sport.

Hon. A. Roberts: Well, I will take that question and look through the documents and bring an answer for you. You can file it. But this is the information that was spent for London 2012. So I am not sure what you are alluding to.

Sen. Baptiste-Mc Knight: Can I be a little clearer then? Mr. President, the document with which we are going to be dealing today, at page 48 it says, Head 68: Ministry of Sport, \$30,450,000 was transferred within the Ministry; \$5,000 [sic] of that was expenditure on the National Football Senior Men, National Women Under-17 and the World Cup Under-23 preparation for the Olympics—that was \$5 million. A further \$20,040,000, to provide financial assistance to athletes and the Trinidad and Tobago Olympic Committee to enable the best preparation and participation of the Trinidad and Tobago contingent at the 2012 Olympic Games in London, United Kingdom. So I was just wondering if \$25 million was transferred, but yet, we are told that you spent \$17 million. It is a little difficult to understand.

Hon. A. Roberts: Yes, just to clarify, there are certain Olympic sports; some of the items that you called are not Olympic sports. The football; the Senior National Team is not an Olympic sport, and the Under 17 Girls National Team, they are not an Olympic sport. Those are sports that get support from the Ministry. The question deals specifically with the Olympic preparation.

Sen. Baptiste-Mc Knight: Mr. President, I do not know if I am not making myself clear, but I wonder whether somebody would kindly show the Minister page 48, where it says, “to provide assistance for Olympic Games 2012, \$20,040,000”, which is not the same as \$17 million. I do not know how to make it any clearer. Thank you.

Hon. A. Roberts: Well, I would bring that clarification for you, but I can also let you know that there was, not in this answer, but some of the tickets were paid

directly to—so maybe that is the deficit. I will ask them if that is so and we shall find out if there is any discrepancy. I will come back with that information for you, but suffice it to say, as we move forward to 2016, the Cabinet has already approved greater expenditure to assist our athletes to the tune of \$12 million a year before the Olympic year, and then of course, subsequently increase in that final year of preparation.

Sen. Baptiste-Mc Knight: Wonderful.

Sen. Al-Rawi: Supplementary question, Mr. President. Also, relating to question No. 9 to the hon. Minister of Sport, through you. Thank you, hon. Minister; if I could clarify, which I expect you would perhaps need an opportunity to clarify in a similar vein to my learned colleague, Sen. Baptiste-Mc Knight.

The issue for clarification, if you can, is whether the sum of \$17,826,000, which the Senate has received today as an expenditure relating specifically to the Olympics, is a sum deducted out of the \$20,040,000. In other words then, is there a surplus of some two point something million dollars or whether it is a sum in addition to that? So that is the scope of the clarification. Perhaps, the hon. Minister could bring that when he is bringing the clarification for the learned Senator.

Hon. A. Roberts: Definitely, Mr. President, I can assure you it is not, in addition, so it is not a total of 37. But, if there is that two point four gap, I shall bring clarification on that from the Permanent Secretary.

Sen. Al-Rawi: Thank you.

Marketing Initiatives (Details of)

11. Sen. Penelope Beckles asked the hon. Minister of Tourism to indicate:

- (i) the moneys allocated by the Ministry of Tourism and its agencies in relation to the various initiatives for marketing of Trinidad and Tobago for the period June 2010 to August 2012;
- (ii) the nature and benefits derived from these marketing initiatives; and
- (iii) the companies and or organizations that were contracted to market Trinidad and Tobago and the moneys paid to them?

The Minister of Trade and Industry (Hon. Stephen Cadiz): Thank you, Mr. President. First, Mr. President, like my colleague before me, I would like to

congratulate the other side, mainly in red, for their win in the Tobago House of Assembly election, mainly because tourism forms a great part of the economy of Tobago. Therefore, I have already written to the Chief Secretary asking for a meeting to see how we can go forward, what plans and how we are going to collaborate and work to build tourism in Tobago. This question that I am going to answer is directly related to the whole issue of the promotion on advertising and marketing of our twin-island State. It is a three-part question.

The first part, the reply:

The Ministry of Tourism and its agency were allocated the following moneys for the period June 2010 to September 2011 for marketing of Trinidad and Tobago. The period June to September 2010, that worked out to \$20,992,268. I repeat, \$20,992,268. Fiscal year 2011, a total of \$63 million, and fiscal year 2012 ending August 2012 was \$56 million.

The agency responsible for marketing and product development is the Tourism Development Company, also known as the TDC. The company is also committed to establishing and implementing standards for the development and maintenance of tourism infrastructure and amenities, as well as standards for specific tourism sites and attractions.

The second part of the question: marketing initiatives fall into a number of broad categories and include overseas marketing, general marketing support, which includes corporate communications; niche marketing, which of course includes leisure, crews, sport and eco-tourism, investment promotion and facilitation, Convention Bureau, and research and planning.

The Minister of Energy is not here. I saw him earlier on and they have just, I believe, completed a major conference on energy. Therefore, the Convention Bureau and research and planning they form part of that.

The benefits derived under the various initiatives include increasing awareness of Trinidad and Tobago, something that is sadly lacking over a number of years which is putting Trinidad and Tobago, as a designation on the global map. Enhanced visibility and profiling of Trinidad and Tobago both locally and abroad, as an attractive and distinct location for tourism investment.

We have not had the investment that we expected for the last 10 years and we are pushing to really and truly have that happen; increasing the number of visitors from targeted markets.

I would like to say at this juncture in 2010, Mr. President, we had 452,813 people come through the airports of Trinidad and Tobago. It dropped slightly in

2011. That was probably as a result of the financial crisis in the world. That dropped to 430,922. The good news, and of course, Mr. President, any time I come to this, well in particular the Lower House or this Upper House, only good news. For 2012, we recorded 454,683 people coming through our airports, and that figure will increase with a final audit.

The other good news, Mr. President, is, here it is that we are at January 25, and we already have our year-end 2012 figures. That is a first. I am very proud to say that this Government has been able to get our Immigration Division, et cetera, working that we can have figures on time. [*Desk thumping*]

Also with the marketing initiatives, increasing the knowledge of travel agents, tour operators, marketing representatives, international and regional media on destination Trinidad and Tobago. Also, promoting trade and investment opportunities, generation of investment leads, promotion of Trinidad and Tobago as the destination of choice for regional and international meeting planners, to gain conference leads, and build key industry relations, increasing tourism revenue from the consumer market.

Part three of the question: Trinidad and Tobago is represented in six markets by individuals or firms on contract. Overseas representatives assist with the overall marketing efforts and at various trade shows and signature events. The company's markets and the funds allocated toward dedicated and approved overseas marketing efforts are as follows: in the UK market, the company is AMG and their contract period is between September 01, 2011 to June 1, 2014. The moneys allocated: June to September 2010, \$3,976,041; fiscal 2011, \$8,701,303 and fiscal 2012 for the period we have determined, \$4,127,895.

For India, the company is called Beautiful Planet—June to September 2010, no allocation; fiscal 2011, no allocation fiscal 2012, the allocation is \$1,248,450.

2.00 p.m.

In Germany, AVIAREPS, the contract period June to September 2010, \$482,067; fiscal 2011, \$1,040,410; fiscal 2012, \$1,915,730.

In Scandinavia, the representative is known as the Spirit Company—June to September 2010, zero allocation; fiscal 2011, zero allocation; fiscal 2012, \$2,062,776.

In North America, USA, Cheryl Andrews Marketing is the name of the representative. The contracted period is 2010 to September 01, 2011—sorry; September 01, 2012. June to September 2010, the amounts paid to Cheryl Andrews Marketing \$3,019,841; fiscal 2011, \$4,933,529; fiscal 2012, \$6,484,687.

For Canada: AVIAREPS of Canada has been contracted and there has been no allocation for the Canadian market as yet.

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

Mr. President: Minister of Tourism; sorry, Minister of Sport.

Hon. A. Roberts: Mr. President, may I just beg your indulgence? Because of technology, I am able to immediately respond to the queries put. [*Desk thumping*] The \$20 million was a budgeted figure. So we only spent the transfer; when we budgeted \$20 million we actually spent \$17 million. Unfortunately, we expected our football team to qualify, but they got knocked out. They came third instead of second in the qualification. Thank you. [*Desk thumping*]

Sen. Baptiste-Mc Knight: Mr. President, I do not know whether it is technology or haste, but what this says here, if I am to believe it, is that this money was transferred from savings and overestimations in your original 2012 budget to meet payments that had to be made during 2012. If what you are telling me now is the fact, your Minister of Finance is going to have a serious problem with this document that he is going to be presenting to us later.

Sen. Ramlogan SC: We could handle it.

Sen. Baptiste-Mc Knight: I do not know. Your Ministry has some problems. I might advise you not to stick around for later. Thank you. [*Crosstalk*]

Hon. Senator: Oh please!

Sen. Ramlogan SC: What nonsense is that, man? [*Crosstalk*]

**Clico Investment Trust Fund (NEL 2)
(Details of)**

23. Sen. Penelope Beckles asked the hon. Minister of Finance and the Economy:

Could the Minister inform the Senate:

- (i) whether the Government has set up the Clico Investment Trust Fund (NEL 2) as promised in the 2011/2012 budget;
- (ii) if the answer is yes, please indicate the date of the particulars of establishment of the said fund;
- (iii) if the answer is no, please indicate the reason for the failure to set up same?

The Minister of Finance and The Economy (Sen. The Hon. Larry Howai): Thank you, Mr. President. This being the first meeting which I am attending this year with this honourable Senate, I would like to extend all, God's richest

blessings on you, Mr. President, and your staff, as well as all the Members of the Senate. I would also extend congratulations, of course, to the other side for the events of Monday, January 21, and, of course, my best wishes to the THA in the governance process over the next few years.

Mr. President, perhaps if I could also just explain the issue relating to question No. 9. What the Minister of Sport indicated is correct, that what this is here in the appropriation is simply the budgeted transfers from one Head to another. So what we are doing is simple. It is not actual expenditure being moved. It is actually just the budgeted amounts being transferred. A significant part of that arose when there was a reshuffling of Ministries. [*Interruption*] Sorry?

Hon. Senator: The question [*Inaudible*]

Sen. The Hon. L. Howai: Yes. So I was just saying in relation to question No. 9, the matter that was raised in connection with the transfer, what we do have in the document here would be the actual transfers of budgeted amounts, not the actual expenditures that would have occurred. I do not know if that further helps in the clarification?

Hon. Senator: Yes, it does!

Sen. Ramlogan SC: It does! It makes it very clear.

Sen. The Hon. L. Howai: Mr. President, the Government of Trinidad and Tobago has established the Clico Investment Fund. The Clico Investment Fund was established on November 01, 2012 as promised in the budget, and the particulars of the establishment of the said fund are as follows:

1. The prospectus represents the offer document and contains all of the terms of the offer.
2. The trust deed establishes the fund and vests the assets of the fund in the trustee—Clico Trust Corporation Limited. The trust deed contains all the rights, powers and obligations of the trustee and provisions for the removal of the trustee, the methodology for valuing the units of the fund and the methodology for how the trustee issues units in the fund, and how they can be transferred by unitholders. It also outlines the requirements for the termination of the fund and details the rights and obligations of unitholders including their rights in relation to distribution.

In addition to which, Mr. President, we also have a fund administration agreement and a fund distribution agreement which outline all the requirements as may be

necessary in order to ensure the proper distribution and management of the fund. We also have an agreement for the registrar of the fund.

With respect to the structure of the fund, the fund is sponsored by the Government of the Republic of Trinidad and Tobago and is a closed-end mutual fund traded on the Trinidad and Tobago Stock Exchange and will trade for a period of 10 years or earlier in the event of a special transaction.

This means, a special transaction refers to a sale of all or a portion of the issued and outstanding shares in Republic Bank Limited, or a merger between Republic Bank Limited and some other institution which results in the change of control of Republic Bank, the consideration for which can take the form, inter alia, of a share exchange only, or a cash sale only, or a cash and share exchange.

The fund was capitalized with \$5.1 billion in assets with a mix of 40,072,299 Republic Bank Limited shares valued at approximately of \$4.4 billion, and Government securities in amount of \$703 million. Two hundred and four million units were issued with a net asset value of \$25 per unit. The Government is committed to capitalizing the fund with Republic Bank shares.

In the event that the trustee acquires the additional Republic Bank Limited shares in accordance with clause 2.9 of the trust deed, the trustee shall thereafter hold the additional Republic Bank Limited shares as part of the deposited property in substitution for the Government securities

Mr. President, since the answer to part (i) is in the affirmative, part (iii) is not applicable.

Stamp Duty Machine (Tobago)

29. Sen. Dr. Victor Wheeler asked the hon. Minister of Finance and the Economy:

- A. Could the Minister please indicate whether there is a functioning stamp duty machine in Tobago?
- B. If the response to (A) is in the negative, could the Minister please state when it is expected that there will be a functioning stamp duty machine operating in Tobago?
- C. Could the Minister state what provisions are currently in place to have stamp duty paid on deeds of conveyance from Tobago?

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai):

Mr. President, the stamp duty machine in Tobago is not operational. These stamp duty machines are no longer being manufactured and there are no parts available to repair the existing machine.

At present, the deeds of conveyance from Tobago are brought twice weekly to be stamped in Port of Spain. Many attorneys who prepare deed of conveyance for Tobago also have offices in Trinidad to facilitate stamping of these deeds.

Mr. President, on becoming aware of the matter, the Minister of Finance and the Economy instructed the Board of Inland Revenue to introduce a new stamp duty system that is similar to that currently used at the Ministry of Legal Affairs on customer deeds, and it is expected that this new system will be functional in Tobago by March 2013. [*Desk thumping*]

**Petrotrin Refinery
(Details of)**

37. Sen. Terrence Deyalsingh asked the hon. Minister of Energy and Energy Affairs:

With regard to the operations of the cat cracker at the Petrotrin refinery, could the Minister state:

- (a) what was the shutdown date for the catalytic fuel converter (cat cracker);
- (b) when was the importation of importing stock fuel to Trinidad and Tobago begun after the shutdown;
- (c) what was/were the country/countries of origin of the imported fuel; and
- (d) what is the total cost incurred, inclusive of fuel, during the period of shutdown to the date of recommission.

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you very much, Mr. President, and I join with my colleagues in congratulating Members opposite on their success in Tobago, and wish them well in the governance of that island which is poised to play a significant role in the energy future of Trinidad and Tobago.

I turn now to question No. 37 in the name of Sen. Deyalsingh. The first part of the question, Mr. President—I will read the question because it is a technical answer and I think for the understanding of the public and Members of this Chamber, I need to read the actual question.

With regard to the operations of the cat cracker at the Petrotrin refinery, could

the hon. Minister state what was the shutdown date for the catalytic fuel converter or cat cracker? In terms of terminology, that part of the refinery is called the Fluidized Catalytic Cracker Unit, FCCU, and it is commonly referred to by all and sundry as the cat cracker.

So the answer to the first part of the question, part (a), what was the shutdown date for the FCCU, Fluidized Catalytic Cracking Unit? The FCCU shutdown and upgrade are part of the wider Gasoline Optimization Programme, or GOP, that was started in 2006. The FCCU was shut down on April 25, 2011 to execute upgrade works which could only have been performed while the unit was offline.

With regard to part (b) of question No. 37—when did importation of importing stock fuel to Trinidad and Tobago begin? The answer to part (b): importation of fuel, namely, gasoline began on May 31, 2011. This does not, however, mean that the refinery has not been producing gasoline since the shutdown, as gasoline components continued to be produced by the CCR unit or Continuous Catalytic Reformer Unit, the Crude Distillation Unit and Isomerization Unit. These components were blended with imported gasoline to produce the finished grades required.

For the period May 2011 to November 2012—which is the last month for which we have accurate data, November 2012. We have provisional data for December 2012 and, of course, January 2012 is not yet finished—imported gasoline on a volumetric basis, constituted 25 per cent of the total volume of gasoline made available by Petrotrin.

Mr. President, part (c) of the question deals with the countries of origin from which we have been importing fuel. The countries of origin were: the United States of America, India, and in that regard product received ex-storage in the Bahamas: Italy, Holland and France.

With regard to part (d): what is the total cost incurred, inclusive of fuel, during the period of shutdown to the date of recommission? The answer to this question is very technical and includes a lot of engineering and cost accounting information, so I will start off by giving some background assumptions.

The FCCU was scheduled to be shut down for approximately five months, from April 25, 2011 to September 30, 2011, and therefore, this period of non-production was excluded from any cost consideration because that was the period for scheduled shutdown. Therefore, cost was incurred from October 01, 2011 to November 30, 2012. Again, November being the month for which we have data which could be considered to be final data—the full month with latest information.

When the FCCU is offline, Mr. President, feedstock for this unit, which is

referred to as vacuum gas oil or VGO, continues to be produced and can be sold as feedstock, and there is an international market for vacuum gas oil. Vacuum Gas Oil is also commonly referred to as cat feed, to feed the catcracker. Hence during the shutdown period, Petrotrin sold vacuum gas oil and in turn bought gasoline for supply to the local market and other customers. The average price received for vacuum gas oil sold during the period was approximately US \$119.48 per barrel, and the average volume sold in terms of actual quantity was approximately 20,000 barrels per day.

The average price—another assumption—paid for imported gasoline during that same period was approximately US \$125.94 per barrel, and the average volume bought was about 7.3 thousand barrels per day.

2.15 p.m.

In answering the question, we consider cost incurred as follows:

1. Loss of income after tax as a result of the purchase of gasoline for resale, minus \$33.048 million.

Sen. Deyalsingh: US or TT?

Sen. The Hon. K. Ramnarine: TT. We also considered from a cost the accounting point of view, opportunity cost as a consequence of not being able to process that vacuum gas oil into gasoline and other derivatives, and that figure was negative—minus—\$122,172,710.

Finally, the third component of the analysis: mitigation of cost through the sale of vacuum gas oil because we have been selling the vacuum gas oil on to the world market, and that figure is positive \$395,546,112. So the net figure, Mr. President, is positive \$240,324,906.

We can therefore conclude that the schedule slippage on the FCCU upgrade project when analyzed from the point of view of revenue from sales and cost of sales had no negative impact on the finances of Petrotrin.

With regard to the actual shutdown/upgrade—and I turn now to the mechanical engineering side of the project—in 2006, Mr. President, Petrotrin hired the firm of Chicago Bridge and Iron, commonly referred to as CB&I, for the FCCU shutdown and upgrade on a fixed lump-sum basis for design and on a cost reimbursable basis for construction.

Bechtel was appointed a project management consultant for the FCCU and paid

on actual man-hours plus a 10 per cent for the high degree of project management consultancy required. It should be noted, Mr. President, that a Petrotrin—and Petrotrin had a governance structure in place to manage this project—steering committee chaired by the then Executive Chairman, Mr. Malcolm Jones, rejected in 2006 a fixed lump-sum price of US \$153 million from Chicago Bridge and Iron in favour of a cost reimbursable approach which was then estimated at \$137 million and to be project managed by Bechtel.

Due to inadequate project management consultancy, and the cost reimbursable nature for the work, cost escalated as there was little or no incentive to complete the job on a timely basis and manner. The root cause of the delays has been cited as poor project management consultancy, poor construction, rework and redesign of several process systems, many of which can only be discovered during the commissioning phase. As a consequence, the overall cost of the FCCU complex upgrade has escalated from an initial estimate of \$137 million in 2006 to an estimated cost at completion of US \$448 million.

With the change in Government in May 2010, Petrotrin dismissed Bechtel and in 2011, Petrotrin dismissed Chicago Bridge and Iron. Subsequently, a team from Petrotrin took full responsibility for the project. Mr. President, the contracting strategies employed by Petrotrin, inter alia, a cost reimbursable contract for the FCCU and contracting Bechtel for both PMC—project management consultancy—and EPCM Works—engineering procurement construction management—for utilities on off sites on the same project ill-advised and drove Petrotrin into a serious predicament from which they are now recovering.

I intend to speak more because it is very difficult to compress all the information in this time period, subsequently during this debate or the debate that will come next week. [*Desk thumping*]

Sen. Deyalsingh: Supplemental, Mr. President. Hon. Minister, could I take from your answer that the catalytic converter, the FCCU, has been recommissioned as of November 30, 2011? Is that—[*Interruption*]

Sen. The Hon. K. Ramnarine: No, what I am saying is that that was the last month for which we have full information. We do not have—we have provisional data for December 2012, and of course, January is still with us.

I think what you are getting at is when would we bring this project to a close. I am pre-empting your next question. I will only say that we are in the very final phases of completing the FCCU upgrade.

Sen. Deyalsingh: Further supplemental, Mr. President. Is the hon. Minister

aware that on October 16, 2011, during the budget debate in this honourable Chamber, during my contribution when I raised the issue, both you and Minister Howai in his wrap up—[*Interruption*]

Mr. President: Sen. Deyalsingh, the prelude to the question leaves me to believe that it does not result from an answer that he has given. You have to restrict yourself—we already know the context, he has answered the question—to the question arising from his answer.

Sen. Deyalsingh: Thank you, Mr. President. Is the Minister aware that he promised a start-up date of November 2011?

Hon. Senator: 2011?

Sen. Deyalsingh: 2012.

Sen. The Hon. K. Ramnarine: Okay. Well, Mr. President, I will just answer that by saying that the—basically I am trying to find an adjective to describe what I want to say, but basically the mess that Petrotrin has inherited has proven to be very difficult to clean. We have done, I think, with Trinidadians leading that project, we have taken it very far, and we are at a point where we are at the final stages of completing the FCCU upgrade.

Sen. Al-Rawi: Further supplemental. Thank you. Hon. Minister, for clarification based upon the answers given so far, which I thank you for, is it that we ought to be able to obtain further data in respect of positive or negative consequences for months December and January inclusive, at some future point?

Sen. The Hon. K. Ramnarine: Certainly that information could be made readily available if a fresh question were asked.

Sen. Al-Rawi: Further supplemental to the hon. Minister, through you, Mr. President. Is there any estimation in the context of this statement, final stages, as to when the FCCU unit may be up and online?

Sen. The Hon. K. Ramnarine: Mr. President, I know that they are looking for a commitment for a date.

Sen. Al-Rawi: No, no, not necessarily, if you cannot give it—[*Interruption*]

Hon. Senator: Very soon.

Sen. Hinds: Just the truth!

Sen. The Hon. K. Ramnarine: Very soon.

Sen. Hinds: Only the truth!

Sen. The Hon. K. Ramnarine: We are almost mechanically complete and there are a couple utilities that have to be put in place before the FCCU is actually put back online, but we are in the very final stages of completion.

There have been several things that have affected that, one being rain. I am advised that it is very difficult to weld in rain, and the large amounts of rainfall that we had the latter part of last year affected the schedule.

Sen. Al-Rawi: Further supplemental. Is it that the mitigating measures in place are still relatively stable in the interregnum?

Sen. The Hon. K. Ramnarine: Yes, there remains a market for vacuum gas oil internationally, so vacuum gas oil is an intermediate product in the refining process. I was given a good analogy: gasoline could be considered the equivalent of a completed shirt in a factory and vacuum gas oil could be equated to a shirt without buttons. But there is a market for it and it is being sold by Petrotrin. [*Desk thumping*]

Sen. Ramlogan SC: Erudite response!

FINANCE (SUPPLEMENTATION AND VARIATION APPROPRIATION) (FINANCIAL YEAR 2012) BILL, 2013

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. President. I beg to move:

That a Bill to supplement and vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2012) Act, 2011, be read a second time.

Mr. President, this is a Finance Bill and it has been passed in the other place. In discussing the Bill, I want to emphasize that this is not a request for new money which is what seemed to have been a misinterpretation which I saw turning up in one of the daily newspapers, but simply a request for the closing of the accounts with approval being requested, as is the norm, for transfers effected in 2012.

In summary, the fiscal outturn for 2012, after these appropriations of variations, was a deficit of \$3.1 billion or 2 per cent of GDP. The original budget had projected a deficit of \$7.6 billion or 4.5 per cent of GDP. I shall return to this matter later in my presentation.

This Bill provides for the supplementation of the 2012 appropriation in the sum of \$1,568,166,725 to fund urgent and critical recurrent expenditure to September 30, 2012, and for the variation of the appropriation for fiscal year 2012 in the sum of

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\$2,009,425,948. Mr. President, the appropriation is being supplemented under the Ministry of National Security, Ministry of Housing, Land and Marine Affairs and the Ministry of Works and Infrastructure.

Under Head 22: Ministry of National Security, an approval is being sought for the sum of approximately \$23.8 million to bring to account an outstanding sum needed to cover loan disbursements associated with a cost of the acquisition of four AW medium twin-turbine helicopters. The financing agreements for this purchase were executed in April 2010.

Under Head 61: Ministry of Housing, Land and Marine Affairs, an increase is needed to retire advances made from Treasury deposits which were utilized by UDeCott to pay in full an amount of \$544,359,425 owed to Scotiabank Trinidad and Tobago Limited, in respect of a bridging loan facility of TT \$720 million which was raised in May 2007 for the construction of the Chancery Lane Administrative Complex.

Under Head 69: Ministry of Works and Infrastructure, approval for an increase of \$1 billion is being sought to retire advances made from Treasury deposits to honour financial obligations associated with the extension of the Solomon Hochoy Highway to Point Fortin project, since agreed financing arrangements on the local and international market have not yet been sourced. Senators are asked to note that in accordance with section 17(1)(b) of the Exchequer and Audit Act, Chap. 69:01, advances made from Treasury deposits are recoverable within 12 months after the close of the financial year in which the advances are made.

Mr. President, it is necessary to have a variation of the appropriation in the sum \$2,009,425,948 for the 2012 fiscal year to realign the provisions in the fiscal accounts in accordance with the new assignment of responsibilities to Ministers and the creation of new Ministries, since, as hon. Senators will no doubt recall, the hon. Prime Minister expanded her Cabinet and created new Ministries in June 2012. These new Ministries had to be assigned budgets to cover their operations for the remainder of the year. As a consequence, there were reductions in Ministries from which portfolios were transferred and increases to reflect these transfers in the new Ministries. These transfers were effected by the *Trinidad and Tobago Gazette* Nos. 76, 78, 120 and 126, Volume 51, dated April 12, April 19, July 06 and July 19, 2012 respectively.

2.30 p.m.

Mr. President, I now refer to transfer of funds between subheads of the same head of expenditure. With effect from August 01, 1988 Cabinet delegated this authority to approve transfers between subheads under the same head of expenditure to the Minister of Finance, when it agreed among other things, as follows:

- Request for transfer of funds between separate subheads under the same head of expenditure, should no longer be submitted for the Cabinet, but can be decided by the Minister of Finance on the advice of the Budget Division.
- Consequently, in fiscal 2012, the hon. Minister of Finance approved the transfer of funds in the sum of \$698,715,894 between subheads under the same head of expenditure.

It should be noted that the transfers were approved by the Minister of Finance based on formal applications from the respective Ministers requesting the transfer.

It should be noted that these transfers are requested to reflect changed circumstances in Ministries and departments and a consequential reordering of priorities; they do not increase the total appropriation in any way. Statements showing the transfers approved by the Minister of Finance and explanations for these transfers were circulated to all Senators.

Mr. President, hon. Senators may recall that at the time of the presentation of the 2012 budget in October 2011, the oil revenue was projected using an oil price of US \$75 and a gas price of US \$2.75 per mmcf. Based on these assumptions, among others, the total revenue projected for fiscal 2012 was \$46,992 million. Correspondently, the forecast for expenditure was \$54,634.4 million, resulting in an anticipated deficit of \$7,642.4 million for fiscal 2012.

In September 2012, at time of the preparation of the 2013 budget, a further projection for fiscal 2012 was prepared for inclusion in the draft estimates 2013. The revised revenue was projected at \$47,704.6 million and revised expenditure at \$54,380.4 million, yielding an anticipated deficit of \$6,675.8 million. This revised position was laid and presented to the Parliament at the time of the delivery of the 2013 budget in October 2012.

The fiscal data for 2012 has been substantially finalized and the provisional out turn in central government fiscal operations for fiscal 2012 is now a deficit of \$3,113.5 million, this is \$3,562.3 million less than the final revised projections.

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[*Desk thumping*] The variance was mainly as a result of higher than projected revenues of \$1,244.8 million, the effect of which was complemented by a lower than projected expenditure of \$2,317.5 million.

I will now apprise this honourable Senate of the details of the significant variances with respect to revenue and expenditure between those presented at the time of the presentation of the 2012 budget in October 2011 and the eventual out turn.

Mr. President, as indicated earlier, the revised revenue for fiscal 2012 was \$47,704.6 million, whereas the actual amount collected was \$48,949.4 million, which was \$1,244.8 million higher than the revised projections. [*Desk thumping*]

The positive variance was due mainly to higher receipts from taxes on income and profits of \$2,125.1 million, from other taxes of \$26.3 million, and from unemployment levy of \$221.7 million. These were partially offset by lower receipts under taxes on goods and services of \$189.8 million; taxes on international trade of \$23.3 million and non-tax revenue of \$895.7 million.

In the category of taxes on income and profits, receipts from the oil companies were \$1,718.1 million higher than anticipated, mainly because actual oil and gas prices were significantly higher than those assumed for the last quarter of 2012. In addition, arrears of payments were received from the oil companies for the years: 1996; 2001; 2006; 2008; 2010 and 2011, as a result of the completion of audits of production sharing arrangements.

The positive variance of \$221.7 million from unemployment levy was also as a result of actual oil and gas prices in the last quarter of fiscal 2012 being higher than those projected, as well as the receipt of outstanding amounts due for 2002, 2006, 2010 and 2011.

- The higher income from the preceding category was partially offset by lower receipts from, firstly, taxes on goods and services of \$189.8 million which reflected reduced collections from excise duty of \$42.2 million and from value added tax of \$156.9 million; mainly from the energy sector.
- The overall net position was also affected by the quantum of refunds of VAT which was increased to reduce the backlog of payments due to several companies.
- Secondly, taxes on international trade were lower by \$23.3 million which was due mainly to reduction in the level of imports in the non-energy sector primarily for the construction industry.

- And thirdly, non-tax revenue was lower by \$895.7 million and royalty on oil was lower by \$79million due to decreased production.

Overall, Mr. President, as I said before, the picture was generally much brighter than originally projected with a \$1.2 billion increase in total revenue.

I now turn to the expenditure side. Whereas the revised expenditure for fiscal 2012 was projected at the time of the presentation of the 2013 budget, at \$54,380.4 million, the actual amount spent was \$52,062.9 million which was \$2,317.5 million lower than the revised level.

The major areas in which expenditure was lower than projected were as follows:

1. personal expenditure was lower by \$223.8 million. In this category, salaries and cola accounted for \$88.5million and allowances for monthly paid officers accounted for \$71.2 million of the variance. This was mainly the result of delays in recruiting trainees for the prison service and in the payment of arrears of increments to fire officers in the Ministry of National Security. Other areas of lower expenditure were spread across the various subitems under all Ministries and departments.
2. other goods and services expenditure was lower by \$887.9 million mainly under the subcategories of goods and services of \$506.6 million; minor equipment purchases of \$149.4 million and management expenses and expenses of bond issues of \$292.4 million.
3. interest payments were less than projected by \$577.4 million. The lower expenditure is attributed to the issuance of less Treasury notes and Treasury bills than were anticipated in the revised projections. In addition, no new loans were negotiated and repayments on some loans were less than projected because of favourable interest rates.

The lower expenditure in the preceding categories was partly offset by higher expenditure under current transfers, which were higher than expected mainly due to the higher than projected expenditure in the following areas:

- expenses in connection with international financial institutions of \$80.5 million; grants to assisted primary schools of \$50.6 million; infrastructure development fund expenditure of \$53 million; Heritage and Stabilisation Fund transfers of \$718.7 million; First Citizens Bank Limited indemnity cause of \$68.4 million; Caribbean Airlines Limited transfers of \$214.7 million and Eximbank equity injection of \$22.7 million.

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- This higher than projected expenditure under current transfers was partially offset by lower transfers to state entities and lower disbursements from the GATE Fund and the Caricom Petroleum Fund.
- Transfers to statutory boards and similar bodies were less than projected by \$100.9 million. With respect to local government bodies, a number of corporations experienced delays in processing payments before the end of the fiscal year, and in obtaining approvals to complete various works of a total value of \$45.5 million.
- Under the THA, expenditure was less than the revised projections by \$26.3 million as a collective agreement for the daily-paid staff was not finalized.
- Development Programme expenditure was \$629.4 million lower than projected. Expenditure was lower under the Consolidated Fund by \$192.3 million and under the Infrastructure Development Fund by \$437.1 million.

Mr. President, in closing I wish to reiterate that the Government has managed its financial affairs in a prudent manner while seeking to stimulate the economy and provide vital services to all citizens.

Sen. Hinds: Prudent?

Sen. The Hon. L. Howai: The Bill before us now is simply to close off the 2012 accounts and seeks to supplement the 2012 appropriation in the sum of \$1,568,166,725 and vary the appropriation for fiscal year 2012 in the sum of \$2,009,425, 948.

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

Question proposed.

Mr. President: Sen. Henry.

Sen. Dr. Lester Henry: [*Desk thumping and crosstalk*] Thank you, Mr. President. In case you missed it, the President called on me and so, I must respond. I will not be accused of ignoring our hon. President of this Chamber. [*Desk thumping*]

Sen. Hinds: Nor disrespecting him!

Sen. Dr. L. Henry: Of course!

Sen. Al-Rawi: [*Inaudible*]—nor your black tie—[*Inaudible*]

Sen. Dr. L. Henry: So, I was responding to the call of the President. Yes, okay. Mr. President, as usual, thank you for allowing me to be part of this debate and to make some comments on the issues surrounding this Bill and raised by the hon. Minister of Finance and the Economy.

Now, the Minister outlined a lot of good news in terms of spending, or what usually should be good news, in terms of higher revenues received by the Government over the fiscal year gone by, and also much lower spending in some categories. But if we are to go by the stated purpose of last year's fiscal package—not the current one of 2011/2012—the Government purposely set out to run a large budget deficit and came in this Senate with the idea, that running a large budget deficit was to stimulate economic growth that was an inherent built-in part of the Government's strategy.

Sen. Hinds: “Uh-huh.”

Sen. Dr. L. Henry: So, if you end up with a lower than projected deficit—*[Interruption]*

Sen. Hinds: You failed!

Sen. Dr. L. Henry:—is basically an admission of failure. *[Desk thumping]*

Sen. Hinds: “How yuh could come and tell me is ah good ting? Yuh failed!”

Hon. Senator: “Ah doh understand dis one. Yuh hah to break dat down.”

Sen. Dr. L. Henry: So whereas to the average lay person it sounds very good, and some of the Senators thumped their desks with it, but in the context of the Government's stated policy of deliberately running—*[Interruption]*

Sen. Hinds: That is right. That is right.

Sen. Dr. L. Henry:—a \$7.7 billion deficit—*[Interruption]*

Hon. Senator: That is true.

Sen. Dr. L. Henry:—right. This is not the end of it. The fact that you could not spend even additional money, I think the deficit in spending I think the Minister mentioned, was just in the order of \$2.2 billion that could not be spent over the fiscal year. Even though again, and what is most amazing once again for an additional year, is that the country experienced better than expected energy prices and increased government revenue from the energy sector, and still has no growth to show for it. I mean, this is absolutely an amazing mal-accomplishment on the part of this Government.

Sen. Al-Rawi: Well said! [*Desk thumping*]

Sen. Hinds: Oh, yes! Oh, yes! “Well putted! Well putted!”

Sen. Dr. L. Henry: I think that this warrants some kind of serious investigation, Mr. President, as to how you could get so much additional revenue—and this is not the first year. I believe the previous year we had the same situation especially early in 2011 when energy prices were significantly higher than budgeted at the price of, I believe, \$75 for gas and \$2.75 for oil. So we have had this amazing situation where it does not seem to be working for the Government, when this should be the norm that when you get increased revenue higher than projected, that you should have something to show for it.

Sen. Hinds: Yes.

2.45 p.m.

Sen. Dr. L. Henry: So clearly they are spending, but for some reason it seems like all the spending is on non-productive activity because there is really little or nothing to show for it in terms of the improvement of the economy.

One of the areas in which the spending is supposed to take place that we were promised in the last fiscal package was on the Point Fortin highway, in terms of infrastructure projects to get things going. That is and was one of the main infrastructure projects to help stimulate the economy, by the Government’s own admission.

In this particular Bill, most of the money that we are seeking to approve here is for the same Point Fortin highway. Now, I believe it is \$1 million out of the \$1.5 billion that is being requested in terms of the change of allocation for last year. I agree with the Minister—he said it clearly up front that it is not something pertaining to this year, but an adjustment for the last fiscal package.

So you are asking for, of the \$1.5 billion, 63 per cent, \$1 billion, and in the document circulated for this Bill, something called Senate Documents, Finance (Supplementation and Variation of Appropriation) (Fiscal Year 2012) Bill, 2013. Under that heading, the Ministry of Works and Infrastructure, \$1 billion, and it talks about extension of the Solomon Hochoy Highway and so forth. Under that same note, part (d), it calls on the Minister to issue a letter of guarantee pending approval of the Government guarantee for this project.

There is a note on the following page, page 3, that says:

It should be noted that arrangements for financing of the project have not yet been finalized.

This is a \$7.5 billion project that is in the works.

Hon. Senators: \$7.5 billion.

Sen. Dr. L. Henry: Sorry, \$7.5 billion—made a slight error there—\$7.5 billion project. Of course, a lot of funds have already been sunk into this project and this is the Government admitting that project financing has not yet been finalized. What are we going to expect over the next coming years?

Of course, as far as we know—and we have seen from the document; it is in the public domain—this project is being financed out of recurrent revenue and I want the public at large to understand that this is highly unusual and inefficient. In terms of stimulating the economy, this is the exact opposite of what you are trying to do, and people at large must understand that we need to ask questions about why the Government insists on financing this project out of recurrent revenue. It raises serious questions about the appearance or the possible application of very corrupt means. Of course, if you are financing it out of recurrent expenditure, there is no IDB oversight; there are no project details that you have to give when you use international financing. No transparency! You could be highly unaccountable using this method of financing.

Again, in terms of prudent macroeconomic practices, this is also very, very counterproductive in terms of stimulating the domestic capital market as we have seen in countless documents from the Central Bank and other sources. The lack of bond issue is one of the problems plaguing the financial system, so you are bypassing an opportunity to develop the local capital market. So the impact on the economy is totally different from when you issue bonds to finance such a large project, which is the norm. Once the project is of that magnitude, it is like trying to pay for a very expensive item, such as a house, out of your salary. Normally, you take a mortgage to do it that goes over 20 years.

Sen. Hinds: It is like measuring a marathon in inches.

Sen. Dr. L. Henry: As my friend and colleague says, it is like measuring a marathon in inches; but it is very, very counterproductive from a macroeconomic, prudential standing. So the local bond market—if I have time, I will get to it in some of the other documents—is fairly dead. There is hardly any issuance of bonds and this could have been a good opportunity to get people involved, encouraged in long-term savings and so on.

The fact that you are financing this out of local recurrent revenue, out of pocket as you may say, this is not very good at all. So the impulse to stimulate growth and so on lacks teeth when you do stuff like this. When you borrow money—in fact, with

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the advent of the tremendous amount of excess liquidity in the financial system, which I have talked about time and time again in this Chamber, it is inexcusable that the Government is not making a move to try to utilize that utility.

I remember the former Minister of Finance used to say that we are going to finance all our big projects, meaning we, the Government, from mainly foreign borrowing. I think he used to say 75 per cent or 70 per cent, because they wanted the domestic capital resources, all that liquidity, to be used up by the local private sector. They did not want to crowd out private sector investment. That is what the former Minister used to say and, of course, now the excess liquidity problem from that Minister to this one has gotten even worse. Yet we see no attempt. So it is putting pressure on the Central Bank to continuously try to mop up this liquidity, creating some serious problems in terms of where people can invest their money.

Again, I want the public to know that the financing of the Point Fortin highway project is something that should be taken very seriously and should be looked into and not let it slip by and get carried away with the environmental issues, which are very serious and very important; but the financing of the project should be of equal importance—how the Government is going and the impact it could have on our economy.

Sen. Hinds: It is a pumpkin seed philosophy.

Sen. Dr. L. Henry: Mr. President, in terms of stimulating the economy—as the Minister gave me that opening, I will happily walk through it—what has happened over the past year once again—and we went through this in 2011—that the Government Members who speak on the economy always tend to say: “Well, we are going to have positive economic growth”, and what they have been doing is deliberately, either not knowing or trying to provide the kind of information to confuse the public—and as I said in my contribution on the debate on the budget—using projected data as if it were fact.

If you go back to the budget speech, you will find that there was a kind of confusion on the part of the Minister in terms of stating that 2 per cent growth happened for 2012 as opposed to expecting 2 per cent. This kind of deliberate obfuscation needs to be clarified because this really does not make any sense. What we had for the first half of the year 2012 is negative growth—about 1 per cent in the first quarter according to the *Guardian* here and from official sources from which they quote. In the second quarter, the economy was down by a significant 3.6 per cent. Now, in addition to the first quarter, at least 1 per cent contraction.

They have continued to talk about this issue of growth and projected growth, totally confusing the two. In fact, I have a quote here where the decline—just allow me the privilege of reading this for a second here:

“The decline of 3 [*sic*] per cent in the April to June quarter followed a decline of 1”—per cent; here it says—“0.1 per cent in the first quarter...and a reduction of 2.2 per cent in the fourth quarter of last year. The data indicate that the local economy has declined in the last five quarters out of six, with T&T’s fiscally important energy sector declining by 7.3 [*sic*] per cent in the second quarter of 2012, and 0.6 per cent in the first quarter of the year and 7.3 in the last quarter of 2011.

Of course the Central Bank Governor, where this information was stated says, well, he has seen signs of some incipient recovery. Of course, nobody else seems to be seeing those signs other than government-related people. If you go to all of the newspaper clippings of the past several months, there is virtually no independent person who can corroborate any positive signs in this economy.

Hon. Senator: Moody’s.

Sen. Dr. L. Henry: I have Moody’s here, too. I will fix that.

Mr. President, the IMF, last year January around this time, visited Trinidad and Tobago and in one of my contributions last year, I was sitting with the head of the team, Miss Judith Gold, and she admitted that they had projected 1.7 per cent growth for Trinidad and Tobago for 2012 and I quickly asked her: “Based on what? What are you being so optimistic about?” I told her right away—which she was completely unaware of; that was the same week of the beginning of the TCL strike—so I said: “Do you know that there is a major strike in a significant company that affects our entire economy beginning right now?” That was the first week of the strike. Of course, she was unaware of it. So I said: “Did you factor that into that projection?” Of course, she did not, or the team did not. Also, when you look at the numbers now—the reports from the Central Bank and even from the same Ministry—they all mentioned the TCL strike as being one of the contributors why the positive economic growth projected for 2012 did not occur.

So the bottom line is that even when there are potentially good signs and, as the Minister pointed out, very nice numbers in particular areas, they still find a way to mess it up. They allowed the TCL strike to cripple the construction industry for months and then they wonder how come you have no growth. The year before that you had the state of emergency that crippled businesses for about three months as well. So even though you get any sign of economic recovery;

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[*Interruption*]*—yes, they score their own goals. Every time it seems that you are winning the game—and I know the last Minister of Finance and the Economy was particularly peeved that he was not able to get positive economic growth—*
[*Interruption*]

3.00 p.m.

Sen. Beckles: Even though they saw blue skies.

Sen. Dr. L. Henry: Yes, despite the blue skies, and not so gentle breezes.

Sen. Hinds: Yes.

Sen. Dr. L. Henry: I actually remember telling him, “Well, I know what you wanted but it seems like you were not allowed to do what you had to do, because other decisions overwhelmed any prospect of any kind of positive recovery in the Trinidad and Tobago economy.”

Sen. Hinds: I see! I see!

Sen. Dr. L. Henry: So when the Central Bank announces, of course, that no economic growth has occurred, and the Central Bank Governor, as a political appointee as he is, is trying to put a very good spin on it, but even he cannot hide the fact that nothing positive is really happening.

Sen. Hinds: What he is saying?

Sen. Dr. L. Henry: Central Bank governor said the Central Bank was seeing “some underlying signs of incipient recovery”.

Sen. Hinds: Oh, incipient?

Sen. Dr. L. Henry: Yes. Yes, of course, it is always on the way.

Sen. Hinds: Yes.

Sen. Dr. L. Henry: Yes, like the Messiah, you know, he is always coming.

Sen. Hinds: Blue skies.

Sen. Dr. L. Henry: So despite the gloomy news, available data that we have for the energy sector suggests there is a likely return to growth and, of course, the Government’s fiscal stand: stimulating the economy; we have been hearing that since 2010, and that is when they were supposed to turn it around and they turned a projected 2.5 per cent positive growth into negative territory.

Sen. Hinds: That is why they fired a Minister of Finance.

Sen. Hinds: Yes. So even when you look at what should potentially be positive headlines—and this one comes from the *Express*, I know the Government’s favorite newspaper—and it says—[*Interruption*]

Hon. Member: The *Newsday*.

Sen. Hinds: It is the *Newsday*.

Sen. Deyalsingh: The *Newsday* is theirs.

Sen. Hinds: No, that was deliberate.

Sen. Beckles: “Dat is to see if dey sleeping.”

Sen. Dr. L. Henry: Yes, I am just trying to wake them up. They might be having a little—[*Interruption*]

Hon. Member: Tobago love—

Sen. Dr. L. Henry: Yes, some kind of thing going on. [*Laughter*] So even when you see something that looks like it should be positive news, like when I saw this headline in the *Express*: “Economy improved in 2012”, but when I checked they have it in quotes. It was not a statement of fact.

Sen. Beckles: There is no evidence on that.

Sen. Dr. L. Henry: Right. So what they based that headline on was an MFO survey, which said approximately two in every 10 people in 2011, believed that the economy was in good shape. One year later it jumped to three in every 10. Now talk about grabbing at crumbs.

Sen. Hinds: The same MFO that predicted PNM would win 11.

Sen. Dr. L. Henry: [*Laughter*] No! But when you go down in the body of the article you see that when it comes to standard of living the majority of respondents interviewed felt that their standard of living had remained the same; 26 per cent of the respondents felt that their standard of living was the same, 39 per cent said it had improved, while 25 per cent said it had worsened. What I am saying, even when something looks particularly good. Now this was January 04 when this article was printed, and then you have the same Central Bank Governor coming a day later and saying, “Things are looking up. The economy is improving”, and guess what? He is referring to the *Express* article.

Sen. Hinds: The same *Express* article?

Sen. Dr. L. Henry: Yes.

Sen. Hinds: Not even *Newsday*?

Sen. Dr. L. Henry: He was referring to the same *Express* article with the survey.

Sen. Hinds: Clutching at straws.

Sen. Dr. L. Henry: Then, to make matters worse, you would think that someone as Governor of the Central Bank would have a little more resources available to him than a survey from the *Express*.

Sen. Hinds: You mean the Governor of the Central Bank quoted the *Express*?

Sen. Dr. L. Henry: Yes, it is there. [*Laughter*]

Sen. Hinds: In support of [*Inaudible*]

Sen. Dr. L. Henry: [*Laughter*] Yes. No, I mean—[*Interruption*]

Sen. Hinds: It is a joke.

Sen. Dr. L. Henry:—in fact, it should be the other way around, the Governor should be telling the *Express* why we should have economic growth and the economy is improving, not the Governor depending on an article in the *Express* to talk about people feeling better, I mean, that is embarrassing.

When you look at that—and one of the things that has irked me, and I mentioned it, briefly, but I think people may not have fully gathered—one of the things that I find very peeving about some Government Ministers, when we refer to economic growth and talk of this topic because it is becoming such as embarrassment for them, that you have Ministers saying, “Well, we are projecting a 1.2 per cent growth this year”—meaning 2012—“and because we were down by 3 or 4 per cent in 2009, that means we have a 5 per cent improvement since 2009”. Absolute rubbish!

I have it here—if I could find it—the Leader of Government Business in the Lower House actually said it, and I have heard other Ministers of Government repeating such nonsense. Like I have said, it is becoming such an embarrassing point that they are trying to hoodwink the population, and so on. Let me take a while since it is up my alley, something I deal with on a regular basis, this whole EQ, this issue of economic growth, and put to bed, once and for all, this foolishness. Now when we talk about economic growth, first to begin we talk about real economic growth, not nominal growth. Right?—adjusted for inflation, and so on. If you go to the same *Review of the Economy*, prepared by the Government, what really matters is GDP at constant prices, not the recurring prices.

If you look on page 54, you would see revised Gross Domestic Product at (2000) prices, that is the base here that the Central Bank uses; TT \$92.9 billion, that is real GDP in 2008, that was revised. In 2009, we had negative growth as is widely known and mentioned several times in this House, TT \$88.8 billion, at constant prices. That accounts for the drop of about 4.4 per cent in economic growth from 2008—2009. In 2010, the real GDP TT \$98 billion, thereabouts, so that is where we account for the flat performance, just a marginal improvement of 0.2 of 1 per cent.

You go to 2011 the GDP drops to \$86 billion. You know I could call out the digit but to save time I would not do that. So that accounts for a further decline from 2010—2011 of 2.6 per cent. You go on the next page—I am not inventing numbers, it is here. So if you do that you get the minus 2.6 per cent for 2011, and the projected figure given by the Ministry for 2012 was TT \$87.8 billion, a slight improvement, so that is where you get the 1.2 from.

So to say, because the economy fell by 4.4 per cent and you have a projected growth of 1.2, not even a realized growth, projected, that you grew the economy 5 per cent from where it was in 2000—absolute rubbish! Growth is measured on a year-to-year basis. So if you were to have any kind of growth over any extended period you would have to go back to 2008, the economy would have had to be at TT \$92.9 billion plus the 5 per cent. I have heard Ministers saying this on radio; I was actually dumbfounded that a Minister could actually talk that kind of nonsense.

So I want to put that to rest for all and, hopefully, they will not repeat it again because even the 1.2 per cent that was projected when this document was put out in October 2012, has been significantly revised, downward, by many in the business. Even if we go to the Republic Bank's Economic Newsletter, I doubt the Government would accuse Republic Bank or its chief economist of being a PNM supporter, as they like to do when they get bad news. The December issue:

“No significant improvement in the economy is estimated to have occurred in the third quarter of 2012. Activity in both the energy and non-energy sectors remained weak...”

Of course we know in one or two little pockets there were some positives, but the overall is negative.

“...output continued to be constrained by plant upgrades and maintenance work, while industrial action, low investment and the slow pace of public project implementation remain the main encumbrances in the non-energy sector.”

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They are projecting, based on their information, that the third quarter would have contracted further by another 1 per cent—that is why I made the error with the 1 per cent before. They talked about things like unemployment rate being fairly low at 5.5 per cent, and so on. That is another issue if I have time I will get back into.

So, basically, all the reports are towards further stagnation and the fact that in the year 2012 we saw nothing significantly positive, and the information is there to back up why you are not seeing anything positive. Again, I could go to the Central Bank documents, the latest version that was put out: The Financial Stability Report December 2012. I have many pages here and all point in one direction.

Sen. Hinds: South?

Sen. Dr. L. Henry: Yes. This is the latest. The Economic Bulletin that is due in January has not been made public yet and I have no inside sources in the bank. The “economic growth remained subdued as real...GDP contracted for the first half of the year”, so confirmation again. Lower down, “Against the backdrop of the lacklustre economic activity”, again that is all on the same page, and, of course, the inflation stabilized and so on, but remained fairly high. In fact the statement in the document says, “core inflation” stabilized. Of course headline inflation continues to be high, but does not seem to be high on the agenda of the newspaper reporters who used to continuously publish the number all the time. Somehow inflation is not a big issue again in the country even though we are about 8 per cent or so, currently, I believe, in overall inflation.

The Central Bank also notes in the Financial Stability Report, “Limited investment opportunities and sluggish credit growth combined with substantial net domestic fiscal injections” have increased the level of excess liquidity that is in the system. So the Central Bank introduces measures to absorb some of that liquidity once more. One other point that supplements my argument about the mismanagement of the economy is a little bit lower down on the same page—despite the low interest environment the growth in credit to the private sector by the consolidated financial system was still modest. So the banks and so on are not lending, and the low interest rate environment is not helping.

You see, if the Government were to borrow, for example, to build something like the Point Fortin highway, issuing bonds and so on, that would help drive up domestic interest rates and solve some of the problems that the Government seems to be either not willing to deal with or is unaware of. So when the Government goes into the domestic market it helps drive up interest rates. The low interest rate environment,

Mr. President, is creating a tremendous headache for pension funds and the insurance sector, not unique to Trinidad and Tobago, as the Central Bank pointed out, but we are going to run into serious problems with our pension funds, and so on.

3.15 p.m.

It is documented here in the Central Bank report. Because of the low interest rates, the insurance companies and their various assets are experiencing very low rates of returns, which are much higher than what they committed to when they sold their instruments in the past. So there is a bit of a mismatch. The revenue coming in is not enough to cover the commitments of retired persons when their instruments mature. What some of them are doing—probably all of them by now—is using profits and retained earnings to cover that expense. What will happen eventually is that profit will run out and there will be a temptation on that score, if they want to stay in business, to get into riskier investment, because that is the only way they would be able to generate higher interest rates, if the situation, the macroeconomic environment in the country, does not change.

Sen. Hinds: Oh, I see.

Sen. Dr. L. Henry: So we have a significant problem building up on our hands. It is right here in the document in which the Central Bank has been warning—it is actually on page 24 of the document. I am saying this, not just to be critical of the Government, but for people at large to understand what is going on in the country, in terms of the potential problem with their payments, when it comes to maturing of the assets that they have with the insurance industry and in other parts of the non-bank financial system, that you could have, in a couple of years' time, if this situation continues, a major headache on your hands. I am sure the Minister is listening somewhere upstairs or wherever. In fact, if I read the Central Bank properly they are warning that this is an issue that needs to be addressed.

Sen. Hinds: Tell us, we need to know, I do not; read it for us. Let me know.

Sen. Dr. L. Henry: Hold on, it is coming, unless I run out of time.

So there is a big potential problem. The Central Bank—my colleague insisted I should let you know in some more detail:

“The low interest rate environment is also impacting pension plans negatively.”

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That is what I was talking about.

Sen. Hinds: “Ooor!”

Sen. Dr. L. Henry: “With respect to defined benefit plans, the reduction in the yield on the underlying assets is creating the need for higher contribution rates, an increase in the retirement age or amendment in the definition of the salary...”

Listen to this carefully:

“used to calculate the benefits, from final salary to career...”

Therefore this is the problem that people would face. If the current macroeconomic environment continues, you would find that you get little notices—in fact I have already gotten one personally from my day job at the university [*Laughter*—this is my night job—that my contribution to the health plan has to increase by a substantial portion. I just got that last week, that wonderful news.

Sen. Hinds: Where is the Minister of Finance and the Economy?

Sen. Dr. L. Henry: So persistently low interest rate environment may come under pressure to invest in riskier investments and to improve their long-term yield on the underlying assets.

This is the kind of thing that gets us in trouble, when these companies have to pursue riskier investments, in order to pay out basic benefits to people who invested their money in these companies.

I am just bringing this to the attention of citizens of this country, and letting the Minister know that his problems are far from over, and if they do not understand that mismanagement of the economy has consequences. I am tying it together with, for example, the Bill which talks about financing the Point Fortin highway to the tune of \$1 billion. I have not been down to Point Fortin in terms of looking at what work has been done. It is not my area of specialty, but I suspect at this point if we are already sinking \$1 billion—[*Interruption*]

Sen. Hinds: One point five billion dollars.

Sen. Dr. L. Henry: No, they are asking for \$1 billion today—by the time that highway is completed the \$7.5 billion would be small potatoes.

Sen. Hinds: They gave them \$1.5 billion already.

Sen. Dr. L. Henry: Mr. President, the problem in the economy is so significant that one of the things we are seeing in the banking sector is that people are taking their money out of interest-bearing accounts and putting it into non-interest-bearing accounts. Why would people do that? Normally people try to put as little in their chequing account as possible and put most of it in their savings account because that is where you get the interest paid, and you look for CDs and so on that pay a little higher. That is not happening. Because interest rates are so low, people are being indifferent to putting money in a saving account versus a chequing account because people are feeling very uneasy.

The numbers reported by the Central Bank are quite significant. I think it was over 150 per cent increase in the funds in non-interest-bearing accounts. This is another sign of nervousness on the part of, not just business owners, but of the population. Of course, the chequing accounts are the most liquid form, other than debit cards and cash money, the most liquid asset you could have. So people want liquidity for themselves, not the excess liquidity that is accumulated in the banking system. People are saying, “Look, we might need this money.”

One of the consequences of the low interest rate environment and the lack of confidence is that we are also seeing a big increase in the export of money from Trinidad and Tobago.

Hon. Member: Capital flight.

Sen. Dr. L. Henry: I could call it capital flight, but one of the things—
[*Interruption*]

Sen. Hinds: Does that include buying property in Miami and so on?

Sen. Dr. L. Henry: Well, apparently. It is all covered there. Seriously, domestic residents are buying into US Treasury bills in a significant number, to the tune of billions of dollars. That is the substitute for investing domestically. So we are seeing a big upsurge in purchases of US Treasury bills. These bills are not paying that much, so it is kind of interesting that they are rushing to put their money in something that is marginally better in a foreign country. Of course, the argument is that buying Treasury bills is a safe investment under the assumption that that US Government will never default on its payment—[*Interruption*]

Sen. Hinds: Some of “dem” going to the US and Miami with cash, or New York, getting into trouble.

Sen. Dr. L. Henry:—but seriously, Mr. President, there is a significant problem.

Sen. Hinds:—talking today.

Sen. Dr. L. Henry: One of the things I found interesting in the Financial Stability Report, when they talk about potential threats to our ability to achieve the growth that was stated in the budget and still being projected by the Government. They talk about:

“If the US were to return to recession, even as the Euro area struggles to recover, Trinidad and Tobago’s exports to CARICOM could fall as the region’s ability to buy Trinidad and Tobago’s goods will be further impaired.”

I have news for the Central Bank and whoever is responsible for this. They are way behind the time, it has already happened. As I presented the figures, straight from your *Review of the Economy*, we have had a dramatic collapse in our exports to Caricom. So the bank, or whoever put this in there, should be embarrassed. They should be saying there would be a continued decline in our ability to export to Caricom markets.

Sen. Hinds: Embarrassed? This Government has no shame.

Sen. Dr. L. Henry: The Government already achieved that. That is in the box done. I have seen very little or virtually none to suggest that there would be any turnaround in our relationship with Caricom. Basically, we have not gone anywhere positive in terms of our relationship with Caricom.

Mr. President, I just want to sum up now and say that whereas we understand the need to shift money around and to adjust the accounts and finalize them, close them off for the past fiscal year, you could do all the shifting you want, if your policies are not coherent, not credible—[*Interruption*]

Sen. Hinds: There is no revenue.

Sen. Dr. L. Henry: No, they have revenue, that is the problem, because the Minister admitted much more revenue than expected. I mean, we cannot argue with him on that one. Largest budgets back to back, the money is there.

Sen. Hinds: Where is it going?

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

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

Question put and agreed to.

[*Desk thumping*]

Sen. Hinds: Strong contribution. Solid; rock solid.

Sen. Dr. L. Henry: Thank you colleagues and Mr. President. I will not use up the full 15 minutes, but I will just try to summarize and repeat. [*Crosstalk*] [*Interruption*] [*Laughter*]

Sen. Hinds: “De economy going nowhere.”

Sen. Dr. L. Henry: I am saying regardless whether you move accounts around, and we know that is a normal part of government operation, finalizing the accounts and so on, you have to put the thing in context, in that you are still unable to generate real serious economic activity. Clearly, you are spending a lot on all kinds of non-productive activity, because it is not being shown up in any kind of positive economic growth.

The financing again of the Point Fortin highway through recurrent expenditure could have been different. The impact on the economy would have been much more positive if you stimulated the capital market by engaging in bond financing. Of course it would have added to the interest payments that the Government has to make, but I am certain it would not be in the order of \$1 billion in one year. Even if you add another 200 or 50 or some number, in terms of interest payments on the bond, it will never be in that magnitude. I am certain that come next year, once that project continues, the Minister is going to come back and have an adjustment again for the Point Fortin highway. It is almost guaranteed that it would happen, because that is a lot of money. It is not chick feed.

If the project goes full steam ahead, as we believe the Government is planning to do, there will be greater increases in the demand for money for that project. Unless you finalize a long-term loan, which you have been unable to do for reasons I have spoken about since early 2011—about how the project was managed from inception, and the IADB being closed out—the IADB would never fund a project under such circumstances, so that door has essentially been closed, unless you work some magic to get them back in here, fire the contractor and start the process all over again, that is what you are looking at. [*Interruption*] Right. You are not going to do that, so either you are going to find another financier—[*Interruption*]

Sen. Hinds: The Andean Bank.

Sen. Dr. L. Henry:—that might not be as scrupulous as the IADB, and you could therefore get money at some lower rate of interest, if possible, but the project itself would require increasing amounts of funds as you go later and later into it. So I expect that this would continue, therefore, the turnaround and the growth you keep talking about remain fictitious.

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I want to remind my colleagues on the other side, please desist from talking about projected growth as though it was actual growth.

3.30 p.m.

Sen. Al-Rawi: Fiction and fact.

Sen. Dr. L. Henry: Right. Wait until the time period is over and say, yes, we achieved a 2 per cent. “Doh keep telling people, well the economy grew because last year because it was projected last week.”

Sen. Hinds: By the *Express*.

Sen. Dr. L. Henry: This is not proper and you should stop doing it. I know that you are eager to get something to boast about, especially after Monday. So do not come after me now, after I cannot respond, at least on my feet, and start telling me that “everything go be nice and pretty in the next month”, because we have been hearing about that since June 2010 when we started the Parliament; everything is coming.

Sen. Hinds: Yes.

Sen. Dr. L. Henry: “Yeah”. Every time we come and we sit we say we point out the flaws to you, you come back and say, well by next week that would be all right. [*Crosstalk*]

The CSO, as the hon. Minister of Planning and Sustainable Development, we have talked about that issue, but the problems in the CSO—when you go on the CSO website it is still embarrassing, data up to 2005 and 2009. We have raised the issue with the Minister and he has always responded very courteously, and said he would fix it because he has the team.

Sen. Hinds: Yes. Who is that, Minister Tewarie?

Sen. Dr. L. Henry: All right. So I am saying that we still have the problems, you know, and when you check again week after week you see the same thing.

Sen. Hinds: Goebbels! Goebbels!

Sen. Dr. L. Henry: The first quarter—I think on the Central Bank site up until last night or—[*Interruption*]

Sen. Hinds: Spin doctors.

Sen. Dr. L. Henry:—the official unemployment quoted there was the 5.2 or 5.4 or something like that, was for the first quarter of 2012. What has happened since then? And the Central Bank would not put up projected—they would put up what CSO

gives them. Until the CSO gives them a new number they would not do that, and that is the proper professional thing to do. Do not go by whim and fancy and say, well we think it is 6.5 or 4.2 or whatever. That is how the Central Bank is supposed to operate. So if they have that figure up it means that is what they have officially from the CSO.

Sen. Hinds: Yes.

Sen. Dr. L. Henry: They cannot go and put any number they want. So, unless we get a confirmation that the Central Bank has not been receiving the updated information from the CSO, then we have to go with that figure and the date. So, with these few words, Mr. President, I thank you very much for the opportunity. [*Desk thumping*]

Sen. Corinne Baptiste-Mc Knight: I thank you, Mr. President. There are just a few remarks that I would like make on this document because this is one of the few occasions on which at least I am able to deduce what Government's priorities and policies are.

Now, it has been explained that what we are involved in here, this exercise, is a matter of covering approval for what the Minister of Finance and the Economy is empowered to do, which is to authorize variances within Heads. And I accept that, I understand that, because I spent almost 40 years in the public service and for some of that time I was myself involved in trying to arrange some of these very transfers. But I want to make this point that the civil service and civil servants are perpetually being accused of not being productive. The common knowledge is that the civil service is demoralized. Morale is at an all-time low, and we see this. We go into public offices and when someone behaves in a fashion that you would not normally expect, it is surprise, because people expect bad service, et cetera, which you get off and on, but it is not the norm.

When I look at this document I worry, and I am very disturbed by what I understand as the priorities that I draw from here. Let me explain. In most—every instance, savings are found from vacancies that have not been finalized, that the recommendations have been withdrawn, filling the vacancies have been deferred.

Now, as far as I personally am aware there is a direct correlation among the number of officers that you have assigned to tasks in Ministries, the suitability of these officers in terms of their initial training, and the continuous training that is arranged for them, the conditions under which they served. All these things, to me, relate to morale and hence productivity.

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So that when you come to save money to do things that may have cropped up, in many instances the areas to which funds are transferred are areas that I can see could not have been forecast at the time of doing the estimates. But for the first order of saving to be found from maintaining a staff quantity that is known to be inadequate, this does not send a serious—[*Interruption*]

Sen. Singh: That is a function of the Service Commission.

Sen. C. Baptiste-Mc Knight: It could not be a function of the service commission when the Ministry withdraws the recommendation.

Hon. Senator: Nah, nah, nah.

Sen. C. Baptiste-Mc Knight: Anyhow, in your Ministry I would not expect it to happen again. [*Crosstalk*] Now, let us—Mr. President, will you help me to—

Mr. President: You want some protection. You may continue.

Sen. C. Baptiste-Mc Knight: Thank you very much. This is a first for me, I normally put up with it, but not today.

Sen. Singh: “Way you is a badjohn?” [*Crosstalk*]

Sen. C. Baptiste-Mc Knight: Now—no, no, no, [*Crosstalk*]

Sen. Singh: The way you talk to—[*Interruption*]

Sen. C. Baptiste-Mc Knight: I am a beautiful, mellow person when not disturbed.

Sen. Singh: The way you spoke to Minister Roberts, we thought otherwise.

Sen. C. Baptiste-Mc Knight: Mr. President, I will ignore that because I am coming back to that later in my contribution.

When I note that in addition to this tendency that pervades the whole of this exercise, I note that in the case of the police service what I see is that in order to supply funds for rental of additional buildings I do not think that that is something that could not be foreseen. Well definitely the *ex gratia* payment of two point almost 8 million dollars to commissioner and deputy commissioner would not have been foreseen, but to get those funds let us look at the rationale that is given, and I quote from page 48:

An administrative decision to closely monitor claims for overtime together with delays in the processing of some vouchers led to savings under the vote of \$25 million.

Now, for the whole of that period the police service was grumbling for overtime not being paid, and I am saying to myself but, you know, these people must realize that you cannot get overtime pay until you have worked the overtime. Now I come to find out that there is a deliberate policy introduced to delay the processing of overtime to the tune of \$25 million. Does this send a message to your civil servants that they are—I cannot quite find words to express it. They mean nothing to you. The work is done and you deliberately delay—*[Interruption]*

Sen. Singh: How do you arrive at that?

Sen. C. Baptiste-Mc Knight: It is written here.

Sen. Singh: Together with delays. Where is your—*[Inaudible]*

Sen. C. Baptiste-Mc Knight: Delays in processing. When I was a minor functionary in charge of personnel I saw to it that people got their overtime payments and their allowances on time because this was considered a part of their emoluments, this was considered money that they needed to keep their families. The fact that the hon. Leader of Business in the Senate sees nothing wrong with this—*[Interruption]*

Sen. Singh: You are misinterpreting what I said.

Hon. Senator: No.

Sen. C. Baptiste-Mc Knight: It reinforces the—*[Interruption]*

Sen. Singh: You said deliberately.

Sen. C. Baptiste-Mc Knight: It is not deliberate here?

Sen. Singh: Delays.

Sen. C. Baptiste-Mc Knight: I did not—delays, this is what it says here. *[Crosstalk]*

Sen. Singh: It could be a million and one reasons.

Sen. C. Baptiste-Mc Knight: The million and one reasons—then next time have your colleagues revise carefully documents that they send to be read there, so that the only interpretation that can be put on them is one that they want. But I want to protest a policy that encourages delay *[Desk thumping]* in payments to people of moneys that they have already worked for. Let me proceed.

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I do not get the impression that the 50th anniversary of our independence was a surprise, but yet I note that \$25.5 million had to be found from three or four Ministries to provide additional funds for this exercise. Now, one got the impression that this was being done in one Ministry but, surprise, surprise. And where does this money come from? Again, non-recruitment of staff, reorganization of CEPEP, \$17 million from CEPEP. Now, again, it is the little people who are paying the price, but let us move on swiftly.

Activities are rescheduled to provide moneys, and hear what the activities are: the Haiti rebuilding project—my God! Can you imagine any Ministry in the Government of Trinidad and Tobago deciding to remove \$1 million from a Haiti rebuilding project? This, to my mind, is a little bit shameful.

3.45 p.m.

Then, another priority is a national racing challenge festival. Now, I did not realize that horse racing was that big, either as a tourist attraction or otherwise, but where does the money for that come from? I never cease to be amazed. The Fair Trade Commission is not appointed. A million dollars comes from the Haiti project. Vacant posts on the establishment are not filled. Now, this really seems to me an attempt to spend money. Money is budgeted; it cannot be spent in the area where it should be spent so we find other means of dealing with it. [*Crosstalk*]

Let us proceed. I understand—let me come back to my little problem with the Ministry of Sport. I understand that \$17 million was spent, was actually spent, and that that \$17 million came from the \$20 million that was transferred here from within the Ministry. Does that mean that no line item was provided in the budget for expenditure for the Olympics? I will leave that question hanging because an answer was promised. But, if it was necessary to find money from transfers to fund the entirety of the cost of the Olympics, something is wrong with the system of doing estimates there, especially when I notice on page 49 that funding is provided in the 2012 budget to meet outstanding bills which had actually been paid in fiscal 2011. I think there needs to be some careful thought put into some of these estimates.

Mr. President, I also noted, again, with a bit of disturbance, that funds did not seem to be included in the Ministry of the People and Social Development and the Ministry of Housing, Land and Marine Affairs for vacation jobs for students. Now, it is \$18.7 million worth of vacation jobs. Let it be very clearly understood that I am very much partial to university students; students in tertiary education, being brought into the service while they are still studying to give them an idea of

the sort of contribution they could make when they graduate. But, should this not be part and parcel of the Ministry's plan, and therefore should it not be accommodated in the normal budget as opposed to having to use excess funding?

And then I find that in many instances, and I think here particularly in the Ministry of Transport, payments toward the deficit for coastal steamers, deferred, which means that that now will have to be paid in 2013. But that money was put to a good cause, to pay wages, arrears of salary and wages. That, I can understand. But what I do not understand is that tender procedures for 100 buses were not finalized. Now, if anyone can convince me that buses are not needed in order to improve the transport system in this country, I am willing to hear, but it is going to be a very hard sell.

Then what we find the transfers are used for? To purchase eight vehicles for head office. Come on! In all of these transfers, we have 16 vehicles provided. If the roads are not congested enough as they are, you have an additional 16 government vehicles, going where? It takes them a day to move from point A to point B, no fault of theirs, it is just that the roads are that choked up, but we are transferring money to buy vehicles and not processing the purchase of buses; does not make sense to me.

Then I note that the money that was allocated to pay teachers, granted that could not be used because that problem was not sorted out within that fiscal period and it was put to good use, but, when I see that \$62.6 million is allocated to textbooks, I wonder. Because, had that negotiation been completed, what would have been the position of the children in primary and secondary schools who needed this \$62 million in textbooks? What would have been the position of the primary schools that needed \$89 million worth of repairs and maintenance?

Now, I do not believe for one moment that either of these two areas of expenditure was as a result of amazing happenings, act of God. A couple of hundred, even millions of dollars may have gone in repairing flood damage or what, but \$89 million; something is wrong with the estimating process. And the textbooks, we cannot boast of providing cradle to grave education for people, providing them with textbooks, blaming them for not using the textbooks and then not providing the money for the textbooks and waiting to see if we have savings from somewhere else. No! Not right! Not nice! Not good!

And there is one area that bothers me, another area that bothers me rather. I note that the Ministry of the People and Social Development had \$19 million from Senior Citizens' Grants, but I know of one centenarian, the lady is 108 years

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old, and this is an amazing story. This lady is being cared for by her nieces, and moved her from one residence to theirs and they get double Senior Citizens' Grant, so they returned the double payment and as a result of returning the double payment, all payments of Senior Citizens' Grant stopped in 2009. So, last year one of the newspapers interviewed her on the birthday—nice, jovial old lady—and she says, well, the only problem that she really has is that she is looking for a little young “fella” to mind her. I said, but wait, come on. When you check it out, this is a need, because she has stopped getting her Senior Citizens' Grant; two years, so we assisted to get things back on track. First of all, they needed to have her find someone five years older than her to certify that she is who she says she is. [*Laughter*]

Mr. President, do you know anybody in this country who is 113 years old? At all, whether they know her or not! So, eventually we realized that there was another way that it could be done, because, if at my age I have a problem finding somebody five years older than me to say that I am who I am, and yet I can get a document saying, yes, I am Corinne Mc Knight, fine—so, we got that done for her. All of the documentation is in since July 20, 2012. Mr. President, would you believe that up to today this lady has not seen a black penny!

Now, you know, this is what bothers me when I see that the first area to remove money is from civil servants to do work, because, obviously they need more bodies. There is some need, and I am pleading here today that they find this lady [*Desk thumping*] and they not only give her her money but they backdate it, because she needs round-the-clock care. Let us face it; \$3,000 is not a windfall. It is good money for people who need it; but please, do something. Give it to her. If necessary, take the excerpt from the *Hansard* and send it to the Minister of the People and Social Development. If what is necessary is that we have to go with a photographer, I will arrange it at my cost, but I want her to be able to get this money.

Is it that they are waiting for her to die so that it would no longer be necessary? Come on, not good enough, let us at least do that for this year.

4.00 p.m.

In parting, I would just like to put the Minister of—oh yes, the hon. Minister Karim on notice, that you are going to need a little extra funds because MYPART which you inherited from the Ministry of National Security, “some bills coming for you” that they have not paid. So you are inheriting that little debt. I am being kind. I want to prove to Minister Ganga Singh that I have nothing against you all. [*Crosstalk*]

Sen. Karim: I do not think so.

Sen. C. Baptiste-Mc Knight: This is why I am helping you.

Sen. Karim: I appreciate your advice on this side.

Sen. C. Baptiste-Mc Knight: You see what I mean, learn from your colleague.

Sen. Singh: When you enter the Gayelle—

Sen. C. Baptiste-Mc Knight: “Hens doh fight.”

Hon. Senators: “Ahhh!”

Sen. C. Baptiste-Mc Knight: Mr. President, I think in interest of time, I will just leave these concerns out there, try to show a little consideration for civil servants by not telling them that “they lazy and therefore doh need extra staff”, so you remove the money for staffing first thing, right. Try and buy the buses and put a moratorium, hon. Minister of Transport, on your vehicles for your Ministry. Is he here?

Sen. Maharaj: I am not the Minister of Transport—[*Interruption*]

Sen. C. Baptiste-Mc Knight: Oh yes! “Sorry, they move yuh.”

Sen. Maharaj: Get your facts right.

Sen. C. Baptiste-Mc Knight: You see how lucky you get away. But I get the impression that this happened while you were there.

Sen. Maharaj: “Well you wrong.”

Sen. C. Baptiste-Mc Knight: Okay. I stand corrected. There is just one other thing that I want to mention, en passant, and I think I had better not because I am sure that one of my other colleagues will raise it at another time. So with these few words, Mr. President, I thank you. [*Desk thumping*]

The Minister of Works and Infrastructure (Sen. The Hon. Emmanuel George): Thank you very much, Mr. President, for allowing me the opportunity to make a short contribution on the Supplementation and Variation of the estimates 2012, under the Finance (Supplementation and Variation of Appropriation) (Financial Year 2012) Bill, 2013 and I plan to respond to Sen. Dr. Lester Henry in some details having to do with the comments that he made on the Solomon Hochoy Highway to Point Fortin construction project.

First of all, let me speak to a couple of the issues raised by the speaker that immediately preceded me Sen. Corinne Baptiste-Mc Knight and Sen. Mc Knight is a Senator that I have a lot of respect for, but she was a little disappointing this

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afternoon. [*Desk thumping*] Simply, I want to quote from page 48 under the Trinidad and Tobago Police Service, reasons for transfers and so on. She referred to a sentence that said:

An administrative decision to closely monitor claims for overtime together with delays in the processing of some vouchers led to a savings under the vote in fiscal 2012 of \$25 million.

And she was taking that to mean that there was a deliberate decision or attempt on the part of the administration not to pay people their overtime.

The sentence here does not say that, and for people who, like Sen. Mc Baptiste-Knight, was once in the public service, this is something that is quite clear as to what happens. In the public service you get an allocation for the payment of salaries and wages, and sometimes you will get an allocation for overtime. But if you do not monitor it closely, people will use a lot of overtime, and you would find yourself at some point halfway through the year, where your allocation to pay salaries, wages and overtime becomes challenged. So my reading of this says here an administrative decision to closely monitor claims for overtime meant that what the people did was to try to discourage overtime, say listen, let us rein this thing in so that we have some more control so that we would not spend so much money, and face at some point to be a challenge, because our allocations might run out.

Let me look at the second part of the sentence now: Together with delays in the processing of some vouchers should led to the savings under the vote.

Now, anybody who has been in the public service and even people outside the public service know that the late presentation of vouchers is a problem throughout the public service. When you present vouchers late, it means that you have to come sometimes and find that money in the following year. So you try to encourage people to present their vouchers early, so that you pay in the year in which the money to pay those bills is allocated.

So that all that happens here, is that if you do not get those vouchers in time to pay during the course of the current year, then you have to find money to pay it in the second year. That is all that this is saying—delays in the processing of vouchers. In other words, the vouchers were not processed in time for them to be paid out of the funding in the current year in which that money was spent or those services were supplied. So you end up having to pay it in the next year. This is so simple and straightforward that I am amazed that Sen. Corinne Baptiste-Mc Knight, who was once a public servant, does not understand this.

So I am saying that it is a little bit disingenuous to come down on public servants like that, because I mean, these public servants do their best and when they put up a document like this we should be very careful, rather than initially thinking about criticizing them. We should try to be as circumspect as possible to try to understand exactly what is going on here before we start to find fault. So I am saying that this sentence which was criticized by Sen. Corinne Baptiste-Mc Knight was a totally undeserved criticism. I do not want to spend too much time on what the Senator said, so let me just go to the second issue that I had a little problem with.

Mr. President, citizens come to visit me in my office continuously, every day people come to me in my office. A lot of the time what they come to me for is not my responsibility, but I never send them away without trying to help them. Most of the time the help that I would give to them is say listen—like a gentleman who came to me this morning, I said listen, your issue, where you want lights to be supplied to a community of a few people that do not have electricity does not fall under my Ministry. But what I will do, give me your letter and I will put a covering letter on it and I will send it to the Minister with responsibility for public utilities and electricity. I would pick up the phone and I call the Minister and I would say to him, a gentleman came to visit me here today, he lives X place and they have a community where they do not yet have electricity and he is making an appeal to be supplied with electricity.

So I call the Minister and I write the Minister, put a covering letter on top of the letter the guy gave me and I send it to him. So the gentleman leaves my office with at least a signal that he may get that help because I have been very direct in how I dealt with him. I did not just send him away nor did I just listen to him and then tell somebody you know, this man come to me for electricity but that is not my business, you know.

I am saying that to say this, if somebody who is 105 years old comes to me, faced with a problem like this, I would write the Minister or call the Minister myself. I would not come to the Parliament and talk about it. I would write the Minister or call the Minister myself and say listen, because at 105, she cannot wait you know. “Ole people cyah wait.” [*Desk thumping*] If you are young as Sen. Cudjoe, you could wait. [*Laughter*] But at 105 years old this lady cannot wait and therefore, if I feel I want to help her or if I must help her I must help her, immediately.

Therefore, I will write the Minister, I would say get all the details, which I am certain the goodly Senator has, I will write the Minister and call him or work on

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her behalf by being very proactive, but to come to the Parliament and talk about this in this way, I mean come on I really feel that we could do better than that.

I do not want to go into any of the other things that Sen. Corinne Baptiste-Mc Knight said, because they are all just as disappointing as the two that I raised. [*Desk thumping*] I say that with all respect for Sen. Corinne Baptiste-Mc Knight. I have a lot of respect for her and I said, I prefaced what I said by saying so. But these items that she selected I think were wrong, to say those things about the public servants and then to deal with the old lady in that way, I think we could have done a lot better.

Now, I want to move away from that and go to my good friend of many, many years, whom I also have a lot of respect for, Dr. Lester Henry. Sen. Henry started off his contribution by referring to the lower deficit that the Government, that the Minister Larry Howai spoke about when he started his presentation. He spoke to numbers that showed that instead of the deficit being about \$7 billion, it would be a lot smaller, and he suggested that was not good because it was an admission of failure; not to spend that money and to have a deficit was an admission of failure. Well I mean, Sen. Henry is on the other side and I do not expect him to say anything else, but I mean he has become very, very repetitive. It is the same thing you hear him saying all the time; he repeats himself over and over.

But that too I will put aside and concentrate on his statement having to do with the Solomon Hochoy Highway, which he said the expenditure on which we now had, \$1 billion set aside in this particular document today for doing the work on that project, the \$1 billion that was set aside in this variation of appropriation for this project ought to have been sourced by putting out bonds or something and that it should not be funded from revenue. I want to remind—you see PNM people have very short memories you know. [*Laughter*]

I want to say to my goodly friend, Sen. Lester Henry, that this particular highway, we have been building this highway since about 1963. It was conceptualized in the '50s and we have been building it since about 1963. If you go back into the documentation you will find nowhere, in any segment of that highway and let me give you what the segments were, The first segment of that highway was Montrose to Chase Village; the second segment was from Chase Village to Tarouba; the third segment was from Tarouba to Golconda and this segment that is being built now, is a fourth segment let us say, between now Golconda and Point Fortin.

4.15 p.m.

At no time in all of the construction of this highway—and here we have a document going back to 1978. This is just about the time when I came into the public service. This is Estimates of Expenditure, the Development Programme for the year 1978—[*Interruption*]

Hon. Senator: Henry was not around.

Sen. The Hon. E. George:—and it speaks inside here to allocations for this highway: It says: Highway construction; \$34,872,000 set aside, and part of that was for this Solomon Hochoy Highway.

Sen. Hinds: Which one of those segments cost \$7 million?

Sen. The Hon. E. George: Sections 2, 3 and 4: Land acquisition, compensation and retention fees. All of these items were itemized for that highway. None of the segments of that highway were built by borrowed money.

Sen. Hinds: Would the Minister give way? [*Crosstalk*]

Sen. The Hon. E. George: No. This is my information. None of the segments of this highway were built, using—in the time that the highway was being built, the sums may not have been that large, but they were significant in relation to those times. [*Desk thumping*] So let me say, do not be disingenuous by saying that we must borrow money because that is the best way to fund it. [*Interruption*] No, I am saying that you have short memories and the records will show that in those segments there was never any borrowing of money. [*Crosstalk*]

So I am saying to the Senator, that he has to come a little better than that if he wants to argue about—[*Desk thumping*] Go back and do the research. And, Mr. President, I will come back to that whole issue [*Crosstalk*] of Trinidad and Tobago's construction of this highway over this period of time because it is significant to understand—it is very important to understand what has been going on all of these years.

Mr. President: Senators, can we listen to the Minister of Works and Infrastructure in silence?

Sen. The Hon. E. George:—what has been going on all of these years. Because there is the old saying, Mr. President, if you forget history you are doomed to repeat it. If we forget history, we are doomed to repeat it. So I will come back to that issue a little later on.

Mr. President, the Solomon Hochoy Highway extension to Point Fortin involves the construction of a four-lane divided highway to international freeway standards and comprises several segments of approximately 43 kilometres in length, extending from Golconda to Debe, to Penal, to Siparia, to Fyzabad, to the Dunlop Roundabout in Point Fortin. It includes the upgrade and widening of the South Trunk Road from Paria Suites to St. Mary's Junction via Mosquito Creek, with a new highway to Delhi Road from St. Mary's Junction.

There are also proposed connector roads off the new highway to Union Estate, Siparia and Penal to provide connectivity to the surrounding communities. That issue of connectivity, Mr. President, I will come back to a little later on because the issue of connectivity is very important in the construction of any highway.

The project was approved in February with a projected budget of \$7.5 billion and it is being managed by Nidco on behalf of the Ministry of Works and Infrastructure. It is a design/build project and the contract for the works was awarded to Construtora OAS Limited, a Brazilian heavy and civil construction firm. That is a very internationally recognized firm; and the project supervision is being done also by a top international firm, AECOM, which is a global provider of professional, technical and management support services. The project start date was March 2011 and it is projected that the works would be concluded by April 2015. The project consists of four phases each with its own components, and specifically there is phase 1, which is the Golconda to Debe phase and Dumfries Road to Godineau River.

Phase 2 is the Godineau River to Mon Desir, including the Mon Desir interchange, the Fyzabad interchange, the Siparia interchange and connector road and the Penal interchange and connector road.

In phase 3, the segment that would be done is the Dunlop Roundabout to Mon Desir. And in phase 4, the Debe to Mon Desir segment is to be undertaken.

Mr. President, phases 1 and 2 are currently ongoing. Phase 1 started on April 28, 2011 with a projected completion date of May 31, 2014. Phase 2 started on July 24, 2012 and has a project completion date of March 05, 2015. Works in these phases include—under phase 1: construction; under package 1, the construction of a four-lane highway of approximately five kilometres from Golconda to Debe and an underpass at Papourie Road and an interchange at Debe. In package 2 of that phase 1 there is a widening of the South Trunk Road between Dumfries Road and Paria Suites from two lanes to four lanes for a length of 3.1 kilometres. In phase 2, in section 2C: the construction of the Mon Desir interchange to the Tarouba Bridge. Then there will also be the construction of the Fyzabad interchange and the Siparia interchange.

In respect of the percentage completion to date, Mr. President, completion of phase 1 is at around 39 per cent; phase 2 is 4.1 per cent, and phases 3 and 4, the designs have just commenced and there has been no construction work on that segment as we speak. So that as of December 2012, the overall completion of the entire project is about 8.1 per cent.

Now, I observed, Mr. President, that Sen. Dr. Henry studiously avoided any mention of the difficulties that have been experienced with this project to date. That point I observed because all of us are aware that there have been considerable challenges faced by Nidco and Construtora, which is the contractor on the project. Those challenges have to do with—a large measure—the rainfall that was experienced over the last year, 2012, which was significant and which interfered with the works considerably, but more importantly, with the challenges faced by the various items had to be addressed as you pursue with the construction of this highway, having to do with things like acquisition issues. But the most important one was the challenge faced by the Highway Re-route Movement.

I think that we have to understand the impact that this could potentially have on the project, and the delays, and the fact that, as Sen. Henry is saying, when he visited the southland recently and looked at the works that were going on, his perception—or his conclusion—was that the deadline would not be met and the result of that would be that the cost will escalate considerably. But he forgets to say that the escalation of those costs have a reason, and the reason, in large measure, has to do with a lot of the disruptions to the smooth flow of that project that has been taking place over the last months.

Mr. President, I want to speak to a few of those issues, and I know that also my good friend, Sen. Armstrong, will be addressing some of these in the not-too-distant future. I said earlier, Mr. President, that this highway has been built in segments going back many, many years. We could go as far back as the Parsons Brinckerhoff National Transportation Plan study, which was completed in 1967. As I said earlier on, this highway was conceptualized since 1956 and they speak about it here in this Parsons Brinckerhoff study—speaking a lot about the projected population growth and the growth of traffic and so on, and the reasons why it was very important that this highway was put in place.

It speaks at page 61, that there are plans to build this highway—and I am going to quote from it.

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“...the construction of a new four-lane control access expressway between Chaguanas and San Fernando”—is planned.—“Access to this expressway, which is known as the Southern Highway, will be provided by interchanges at Chaguanas, Chase Village, Freeport, Couva Main Road, Cedar Hill, Bonne Aventure”—and so on—“connecting to the San Fernando Bypass near St. Joseph Village.

It is the Government’s intention to eventually extend this expressway northwards along the Princess Margaret Highway to connect also with the Churchill Roosevelt Highway.

These connecting roads will function as arterials when the Southern Highway is opened. The standard of these roads is considerably below the arterial requirements.”

It is referring to the Southern Main Road and is saying that the Southern Main Road, which was the main road at the time, going between north and south.

“The standard of these roads is considerably below arterial requirements. For example, the surface widths are generally 15 feet as opposed to the arterial standard of 24 feet.”

This is important to note because one of the proposals, or the alternative proposal, for the diversion of the Solomon Hochoy Highway extension project, to put it from Golconda to Paria Suites, is going to leave—for those people in south, in Penal, Debe, Siparia and so on—only the use of a road similar to the one referred to here, where the standard is 24 feet but the roadway that you have existing is 15 feet. All of these are reasons it is very, very necessary to build that highway. [*Desk thumping*]

So as far back as this transportation study, way back in 1967, this highway from Chaguanas to Point Fortin was mooted, so it is not new. I had mentioned that the segments that were done at the time were Montrose to Chase Village and Chase Village to St. Joseph Village, then St. Joseph to Tarouba. So we have been building the highway for a long time.

Nowhere along that highway where it was constructed up to Golconda, was there ever an issue. The people who had to be moved were moved; they were compensated and so on. So why would we now, at this stage, when this thing has been built in segments going over all of these years, suddenly find a lot of problems with this segment?

One of the issues raised is connectivity. The highway does not have to pass through Debe, Siparia, Penal and so on, because they do not need it.

Hon. Senator: [*Inaudible*] abandonment wells.

Sen. The Hon. E. George: For people in the north, Mr. President—let me give you an idea of what would happen if this highway were not built along the route that the Government intends to build and is routed elsewhere, as is suggested by another party.

Picture, for the people in the north, that the Churchill Roosevelt Highway was starting at Maritime Roundabout and went straight to the Piarco Roundabout—well, there was a roundabout at Piarco, but the Piarco intersection, let me say now—and there was no connection between those two points for the people who live in El Socorro, Valsayn, Curepe, St. Augustine, Macoya and Trincity; those people, for example, if you lived in Maracas/St. Joseph and you wanted to go south, you had to come on the Eastern Main Road and drive down to the Maritime Roundabout and then get on the highway, or drive up to Piarco and then get on the highway and then find your way—come down the highway and go down south.

For people in the north, if you live anywhere in Tunapuna, St. Joseph, San Juan and so on, and you had to get on to the highway, you would have to snake along the old Eastern Main Road and find yourself either to the Maritime Roundabout and then get on the highway, or go up the Eastern Main Road and get to Piarco to get on that highway.

That is what is being suggested here by people who are saying, do not pass it through Debe, Penal and Siparia. So you are leaving the people of those areas in backward times. I used to go to my grandparents' home on Fortune McCarthy Street—
[*Interruption*]

Mr. President: Senator, we could take that story after the tea break. [*Laughter*] It is now 4.30. I propose to take the tea break at this point. We will resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. President: Before we took the break, Sen. George was on his legs. I hope he did not tell the story to everybody in between. [*Laughter*] That is why we have not seen people flock back. Senator, you have another 18 minutes by my estimation. [*Desk thumping*]

Sen. The Hon. E. George: Thank you very much, Mr. President. And no, there was nobody to listen to me downstairs; everybody went for tea, so I was left alone here. I did not have anybody to speak to, so I did not relate the story. But it was

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not really a story, I was simply making reference to the fact that, as a young boy I used to go to my grandparents' home, my maternal grandparents home on Fortune McCarthy Street, Vance River Village in Guapo. Sometimes when I visit Point Fortin, I drive up that Fortune McCarthy Street, and my grandfather's house is still there.

I say that to say that the roadway that we used beyond the St. Mary's Junction to get to Fortune McCarthy Street in Vance River Village Guapo is the same roadway. I am talking about nearly 60 years ago, when I used to visit my grandparents. I have given people an indication of my age there, but that is okay. Shall we continue to leave the people of those areas and condemn them to having to use the same roadways which are now very congested and not try to bring them into the modern world and give them a modern highway?

In the north, we have three arterials heading east. We have the Eastern Main Road, we have the bus route and we have the Churchill-Roosevelt Highway. When you think about south, what they have beyond San Fernando is virtually the Old Southern Main Road. It has been widened in a couple of places, but it is very difficult to widen it. While we have been able to develop the roads in the north and provide the people in the north with acceptable means of moving, via vehicles, we have not done the same for the people in south and we must correct that. [*Desk thumping*] They, too, are entitled to be brought into the modern world by being given a modern and new highway. So that the Government setting aside of this money for this highway is in my view quite appropriate, because the highway must be built.

I want to take a little time this afternoon, Mr. President, to talk about a few of the issues that were raised by those in Opposition to the highway. As I said this highway is being built since the 1960s. There has been three segments previous to this particular segment which we have begun now, and there was never any real opposition to it. Why are we going to oppose it now? What is the reason for it? One reason was given as connectivity. I am saying, as I gave the reason earlier on, that a highway makes sense if it connects communities. If it does not connect communities, then it makes no sense.

So, for example, the example I gave of the Churchill Roosevelt Highway, if it was built from the Maritime Roundabout straight to the Piarco intersection without interconnecting the areas in between, it would not make any sense. In like manner, building a highway from San Fernando to Point Fortin does not make any sense. It has to connect all of the communities in between. Therefore, the highway must connect Debe, Penal, Siparia, Fyzabad and so on for it to make any sense.

There is a suggestion too, that it will destroy the Oropouche Lagoon. Nothing is further from the truth. [*Desk thumping*] The highway will skirt the Oropouche Lagoon, and I say skirt because over the last 30, 40 years, people have built homes and communities on the fringes of the Oropouche Lagoon and have filled it up to the point where, in those areas, there is no lagoon. So, if the highway is passed there, it is not affecting the lagoon in any way.

So this suggestion that we are going to be destroying the ecology by damaging the lagoon is just another red herring that is being put outside there. I want to tell the population to understand all of these items that are being thrown out there for public consumption which are totally wrong.

The issue of flooding—that this new highway will cause flooding in the area and so on, my answer to that is, again, we go back, we have been building this highway since the 1960s—1963. Where has this highway, right up to Golconda, ever caused any flooding? It has passed through the lowlands of this country, through the Caroni plains and it has caused no flooding. So where is this flooding issue coming from suddenly?

The engineers took pains to ensure that in the design of the culverts that would run under the highway in its previous segments they will be placed in such a way, and be large enough, that no flooding will be caused. In this particular new segment that we are into here, there is a condition in the contract that says in the design and construction no pressure would be put on the infrastructure that will cause flooding. In other words, they have to design the highway to improve the water flows and make it even better, in terms of the threat to flooding, than it was before.

We have to trust the engineers. Just as they did in the previous three segments to ensure there was no flooding, we are sure that they would do the same thing, in respect of this segment that we are doing now, between Golconda and Point Fortin. I can stand here and assure, I trust the engineers to do their jobs properly, so that we would have no flooding caused by that highway construction.

So the flooding too is also a red herring that is thrown out there to seek to score points against those who are for the highway or points against the construction of the highway. There is no basis at all for it, because the existing highway is testimony to the quality of the work that has gone on in this highway over those segments over the last 30 years or so. “If you can see something in the day, you mustn’t take torchlight to look for it in the night.” [*Desk thumping*] The existing highway is testimony to the quality of the work that has been done by the engineers to address all of those issues that concern flooding.

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There is also this: “Have you done a cost benefits analysis of this highway?” “Dey have thrown that out too.” And every time I hear that it reminds me of Kurt Allen’s calypso, “Dey bright.”

Sen. Deyalsingh: Who is “dey?”

Sen. The Hon. E. George: “Dey too bright”; cost benefits analysis for a highway? I have mentioned before that the fact that the segments of the highway that have been constructed already lie there, presenting a wonderful boon to this country because we use it every day. It is also testimony to any cost benefit analysis that you want. But, more than that is this, a government does not determine everything on the basis of a cost benefit analysis. Sometimes a government will make a decision on a particular project on the basis of cost benefit, yes, but sometimes they will make a political decision, and we have examples of political decisions that governments make.

If some people in the community decide to go and build their homes up on El Tucuche where there is no electricity currently provided and the community grows to a reasonable size—not one person up there, and they write T&TEC and ask them for electricity and T&TEC say, “No way I running electricity up dat hill. Why all yuh gon and live up dey?” “Who sen all yuh to go up El Tucuche?” If I run my poles up there and provide electricity for you, I will never make back my money in a thousand years. It is totally uneconomic to do it. But a government will say, “Hear wha happening, they are people too; you will run the electricity up there for dem, for me, please; because a government does not only take decisions on the basis of cost benefit.

Sen. Ramnarine: And of economics.

Hon. Senator: Well said.

Sen. The Hon. E. George: It is also political decisions you take “because people you dealing with.”

Sen. Ramnarine: Social consequences.

Sen. The Hon. E. George: I could give another example. Remember the construction of the desalination plant. Point Lisas was being developed and industries were going in there over years, and every time an industry goes in there it has to be provided with water, up to the point where, in the ’90s they were consuming about 20 million gallons of water per day. And every time they took more water, it was less water for the ordinary people in San Fernando, Gasparillo, La Romaine and so on.

So the people in those areas when “dey turn their taps in the morning dey ent so sure dey gettin water; complaining; people vex.” Okay, you could go and decide to build a dam, you know, it would take you 10 years. “You feel de people waiting for water 10 years?” So a Government took a decision to build the desalination plant, “dey said hear wha happening,” we will give a dedicated—it is high cost water—we will give a dedicated supply of water to the Point Lisas industries—high-cost desal water, but they could pay for it. And, we will take that 20 million gallons that they are using there now and give it back to the people. That is a political decision, because if you go thinking about the cost benefit in terms of only dollars and cents—and I am not talking about putting other social issues into the mix—you would not build it. So a government does not only take decisions to build a highway on the basis of a cost-benefit analysis. That is why I am saying that every time I hear that, I remember Kurt Allen calypso, “*Dey too bright*”.

The one area where you have, in a manner of speaking, an Achilles heel with respect to the construction of a highway is where people are affected by having to move, because you have to move them. But, we have encountered that in the past also.

In the dualling of the Princess Margaret Highway through Guaymare there were protests. We are all—well, I cannot say all of us, because those of us old enough would remember that. Those of us who are younger may not remember. But there were protests by the people of Guaymare, they did not want the highway to pass through because it was destroying their community where they had lived for so many years.

Hon. Senator: Hulsie Bhaggan.

Sen. The Hon. E. George: People “lie down in de road” and so on and would not move.

Sen. Beckles: Some went to jail.

Sen. The Hon. E. George: The highway had to be diverted from the northbound lane on to the southbound lane and then curve back from where those people were protesting because they had their village there, and curve back onto the northbound lane creating a considerable traffic jam for a decade—an entire decade. Eventually, the matter was settled and the highway passed right through where they were lying down in the road and protesting.

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So the country found a way to solve that problem and in like manner the country will find a way to solve this one and people who want to make a hero out of the protesters—and one particular protester—must remember that there were protests then too with a heroine, but we solved that problem.

So, when we are dealing with the moving of people, we understand that if you have been living in a home or a community for 20, 30, 40, 50, 60 years, there is an emotional attachment to that community that we will disrupt. Yes, and we can never compensate people for that. What you do, as is being done in this case, is that you try to compensate them quickly and adequately for the loss of their home, the disruption and so on, and you try to appeal to their sense of patriotism and their sense of love for their siblings, their descendants and so on, and say, “Listen, consider that you are giving up this home that you have been living in for so many years for the benefit of the country. We ask you in those circumstances for your patriotism, and also for your children and your children’s children that they will inherit a better place and a better life.”

You really cannot give them in money terms, compensation for that emotion, that attachment to that community that they lived in and the home that they have dwelled in for so many years. That for me, is the weakest link in the argument for the highway, that we have to move people, but all over the world this issue is being faced and we too have to face it here. We have faced it before, so I do not see why we have all of this hullabaloo.

For weeks and months, people protested over the highway and wanted to lie down in the road. We have passed that stage of people lying down in the road. We have experienced that before. It is not the first time, and we were able to rise above that as a country. Why do we want to go back into that now? Again, I am saying, we have been building this highway since the 1960s. There was never a problem. All of a sudden, we are raising all of these issues of flooding and destroying of the ecology and so on, cost benefits analysis and so on, all of which can be debunked very easily.

The other issue I want to speak about, with respect to this highway, is something that all of us know, and that, Mr. President, is that highways bring development and benefits and so on. Anywhere you put highways, you put highways to develop a community, to develop a region and to develop a country. You cannot develop a country, or a region, or a community, without giving people the ability to move.

Man is about moving. When you are born the first thing you will want to do is to creep, and when you creep the next thing you will want to do is walk, and when a child discovers walking it is like it opens up a whole new world. You think about it. Man needs to move, and roadways are a way of moving men, providing for man to move. It develops him. We have a plan to deal with the regional development of the Point Fortin area and we have to start by giving them the ability to move.

It will allow people in the north to be less concerned about taking two hours to go from Port of Spain to Point Fortin, or three hours and, therefore, will lead to greater internal tourism. As a young boy, I used to go to Los Iros. I remember for years going down to Moruga for the celebration of Discovery Day and Columbus discovering Trinidad. For years going down to Moruga to celebrate Discovery Day, but the difficulty of getting there now is a deterrent. So you do not go. So there is a lot of internal tourism that we do not do because of the difficulty of moving, and we have to give the people this highway that will enable them to move. It is extremely important for them, for them to develop. If you go and you talk with the people of Point Fortin, you will hear them say they want this highway. This is a—[*Interruption*]

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

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

Question put and agreed to.

Sen. The Hon. E. George: Thank you very much, Mr. President, and thank you very much my colleagues, both on this side and on the other. So, Mr. President, I have taken the time to try to make that case for this highway, and it is a case that I said Sen. Dr. Henry studiously avoided mentioning. He studiously stayed away from making any mention of the difficulties that are being experienced in the construction of this highway because of all the protests that have been taking place, and focused on the fact that it should rather be done with a loan and the fact that its visit there showed that the highway will end up being way over budget when it is completed and so on, forgetting there is a whole host of things that perhaps will contribute to that. If you want to be fair, you must mention that also. You must say, "I am aware that there are difficulties with this construction", and do not disingenuously avoid saying it. The issue of the construction and the difficulty is simply thrown in the background as if it is of no consequence. It is of consequence and we must be fair when we speak here.

Hon. Senator: You making excuses.

Sen. The Hon. E. George: I point out, again—I want to repeat this one because, you see, I say the PNM has a short memory. The construction of this highway started under the then PNM Government. It is a legacy, in part, that they have left, and at the time of the construction of those segments—*[Interruption]*

Sen. Beckles: And who protested then?

Sen. The Hon. E. George:—there was no statement about anybody about bringing in the IDB. Although I know the IDB was mentioned at that time also, but it was always funded out of the Consolidated Fund. So where we are going now with this thing about it is not right to be funding this money out of the Consolidated Fund? You should be borrowing it and you should be putting up bonds out there and so on, and so on. I am saying that that might be so, but the last person to say that should be the representatives of the PNM. The last person to say that should be them because the evidence will show, that in their time, when the highway was being constructed, they too used the Consolidated Fund. This is no dispute. You see, we have to be fair.

Mr. President, as the Minister with responsibility for works and infrastructure and the construction of this highway, I want to let the population know that we will do our very best to construct this highway within budget and hopefully within time. As I indicated earlier, we faced a serious challenge last year because of all of the rain that fell. So we have that to face, and we also have the challenge of the protest and so on.

I also want to alert the people of Debe, Penal, who will be affected and who will have to move, that we are willing to continue to talk with them as we have been doing. We have put in psychologists, so that we are treating with the issues of dislocation, as I indicated, and the pain that that brings. This is a step up on what used to happen, because in the past when those segments of this highway were being built there was never any outreach. This Government has an outreach arrangement there to deal with the psychological effects of the relocation of those affected by the construction of this highway. So in large measure, we are attempting to deal with these people in as humane a manner as possible.

One of the important things I want to point out to those people who will be affected again by the construction of this highway and who will have to move is that Government will move very speedily to compensate people. It will not be like long ago where people took 15 and 20 years to get compensated for their homes when they were forced to move as a result of the construction of a highway. This Government is committed to paying people fairly and promptly for their

properties. The Government has also made arrangements to identify alternatives, where we can locate and provide alternative land, where these people who are relocated can build their homes. Again, we are trying to deal with this issue as humanely as possible.

We ask all of those people to continue to trust us, to continue to interact with us and to negotiate and so on, so that we can expedite the process of acquisition, so that the highway can continue because part of the problem in the construction of the highway would be the delay in giving the contractor access to the routes so that he can do his work. We need to be able to give him access quickly, so we would like to move the people out as quickly as possible. We are appealing to them to continue, as they have been doing, to trust us and to negotiate with us, so that we can get the relocations done as quickly as possible and the highway construction proceed unimpeded.

Mr. President, just one other little thing I think I need to interject here, having to do with the suggestion by Sen. Dr. Henry that the highway is not going to provide any fillip to the economy. In my document here which was provided by the technocrats in my Ministry—and I thank them very much for the work that they continue to do, despite all the challenges that they face—there is a condition in the contract that says that 40 per cent must be local inputs. In this list I have here, there are 30 contractors who are currently being utilized on this project by Construtora OAS. That is 30 local contractors that are being utilized.

In addition to that, there is a host of local staff that is being provided with employment opportunities, directly, in the organization. So as the project proceeds, we expect that this will accelerate and that more and more opportunity will be given, not only to the local contractors—I expect that the numbers will shift from 30 to a lot higher—but that a lot more individuals will become breadwinners for their families as a result of employment being provided in this project.

So I think we should steer clear when we comment, whether you are in Opposition or not, negatively on this project because it will benefit all of us and benefit the country. In particular, the people of the southern region need to be provided with an alternative to what they have now, which really condemns them to a life of constant and unceasing traffic jams. One only has to try to go down to Point Fortin on any day and one will understand the problems that you face along that roadway.

Hon. Senator: [*Inaudible*] to Siparia?

Sen. The Hon. E. George: Or to Siparia or to Penal or Princes Town. You will understand, it is extremely difficult. The roadways have not been changed there for those people in 60 years, as I said. Almost 60 years, since I was a little boy. We have to get the people out of that scenario and into the modern world where they have a modern highway that will provide for them, not only the pleasure of driving and saving time on a modern highway, but also provide for the development that they in those parts genuinely, genuinely need.

I know if Sen. Dr. Tewarie does speak on this issue, he will also speak to the need to develop that region. I cannot remember the term you have for it, Sen. Tewarie—as of those poles—[*Interruption*]

Hon. Senator: Growth poles.

Sen. Dr. Tewarie: South-west.

Sen. The Hon. E. George:—and this highway will provide the impetus for the development of the growth pole in that south-west region.

5.30 p.m.

So, Mr. President, let me say thank you very much for the opportunity. Let me say to my colleague and friend, Sen. Dr. Lester Henry, please, in your contributions regarding matters like these, we need to be a little fairer in terms of what we say because this highway is a boon to all of us, not to us only on this side. I thank you very much. [*Desk thumping*]

Sen. Terrence Deyalsingh: Thank you, Mr. President, for allowing me to make a contribution on the Finance (Supplementation and Variation of Appropriation) (Financial Year 2012) Bill, 2013.

Before I begin, Mr. President, may I take the opportunity to wish you, my colleagues opposite, the Independents, the entire Parliament staff and Trinidad and Tobago, our sincerest New Year's greetings from the benches of the People's National Movement. I wish all health and happiness and I think that once we are healthy and happy, prosperity is a natural outcome of that.

Mr. President, the issue of this highway has consumed a lot of the time of this Senate this afternoon, and Sen. George spoke about short memories and not giving the entire pictures, so let me see if I can fill in some of the blanks and also jog some of our memories. The hon. Minister of Finance and the Economy, when he closed his presentation, used the word “prudent” and when one looks at the definition of the word “prudent”, it means careful with an eye for the long term.

This issue of the highway predates Minister Howai. It actually started under the first Minister of Finance, Mr. Winston Dookeran. I will be posing some questions to the hon. Minister of Finance and the Economy, especially as he has recently come from a banking background, to see whether the way this highway has been funded meets certain criteria.

Now let me say from the outset, Mr. President, the People's National Movement is not opposed to the highway; as Minister George rightly said, it was a PNM project. But, Minister George alluded to the fact that Sen. Tewarie will be speaking later, and if Sen. Tewarie speaks later, I would like to find out who was the first Chairman or President of the re-route movement or those opposed to the highway prior to the election in 2010. Who was the prime mover to the objections of the highway when it was politically expedient prior to May 24, 2010 to object to it? [*Desk thumping*]

Sen. Al-Rawi: “Dey cyar remember that!”

Sen. T. Deyalsingh: Was it the People's National Movement? No! Was it the Congress of the People? No!

Hon. Senator: Short memory.

Sen. T. Deyalsingh: Was it the Tobago Organisation of the People? No! Was it the National Joint Action Congress? No! Was it the what, MSJ: Movement for Social Justice? No, it was none of the above.

Sen. Al-Rawi: Tell them who it was!

Sen. T. Deyalsingh: Let somebody from that side tell us today who was the founder of the opposition to the highway—[*Interruption*]

Hon. Senator: Patrick Manning.

Sen. T. Deyalsingh:—and then we could talk about short memories and long memories. [*Desk thumping*]

Hon. Senator: Revisionism.

Sen. Al-Rawi: Well said! [*Desk thumping*]

Sen. T. Deyalsingh: Answer that question.

Mr. President, the date was January 27, 2011. I believe it was either a Wednesday or a Thursday, January 27, 2011. There was a CPA Conference—Commonwealth Parliamentary Association Conference—taking place at the Hyatt. That was the day that the Government went down to Golconda and formally opened the construction of the highway with a big cheque—[*Interruption*]

Sen. Al-Rawi: And not April as was said just now.

Sen. T. Deyalsingh: Not April, it was January 27, 2011. The reason I remember that date, Mr. President, I was in the parliamentary conference, and five days before that, on January 22, 2011, Resmi Ramnarine had to resign, and the Government was taking a pummelling, a pummelling about the Resmi Ramnarine issue. That is why “it was rush to open” the highway on January 27, 2011, to change the conversation.

That leads me to the issue of funding, because the Government of the time, when hon. Winston Dookeran was the Minister of Finance, not Minister Larry Howai because I am sure he might have done things differently, because he is prudent, he is a banker and an excellent person, but he has come into this job with his eyes open. They went down there with this big cheque to show that there was funding. Oh, and by the way, in the lead up to that, we were told by the then Minister of Works and Transport that this highway construction project would create, not one job, not 22 jobs, not 2,200 jobs, but would create 22,000 jobs for the citizens of Trinidad and Tobago. [*Desk thumping*]

Sen. Al-Rawi: “Dey forget that!”

Sen. T. Deyalsingh: That was the promise, but they have forgotten that conveniently. Our unemployment position would be solved. The days for winning coal by axe and shovel are over; we now have to backhoes, Caterpillar things to dig up. We do not use things manually. How on earth was that project going to absorb 22,000 jobs?

But, the crux of the matter is the funding. Sen. George spoke about phase 1, phase 2, phase 3, back in 1978, and yes, they were funded out of the Consolidated Fund at that time. Do you know why? Because energy prices in those days were the highest that they have been.

Sen. Al-Rawi: Correct.

Sen. T. Deyalsingh: So our current account, our savings, were buoyant and we could have afforded to fund it out of our current account. Contrast that with 2008, 2009, 2010, 2011, after you have an energy shock, you have a meltdown of the global economy, and you want to tell me you what to fund that in this year out of current account. [*Desk thumping*] Could I go to any bank with declining income—[*Interruption*]

Sen. Al-Rawi: No revenue.

Sen. T. Deyalsingh:—no revenue, to fund a capital project in the area of \$7 billion, and my banker will tell me fund that from your savings. “I doh think so.”

But let us understand why we could not have gone to the IADB. Mr. President, the IADB was founded in 1959; it is 54 years old. We are a member since 1967. We are not only a member of the IADB, we are a member of the Investment Group, the Inter-American Investment Corporation, under the IADB. We are also a member of the Multilateral Investment Fund under the IADB. We have a long history from 1967 in borrowing from the IADB, paying back for projects. What is the function of IADB? To help out economies in Latin America and the Caribbean.

One of the stipulations that they will have is this: two, they must have transparency; it must go out for tender, so we are talking about proper procurement processes, and the IADB will also consider environmental impact.

Sen. Al-Rawi: That is right!

Sen. T. Deyalsingh: So if we had gone to the IADB, all this thing with the re-route movement today, and the environmental concerns, would have been addressed by our association and drawing down of funds from the IADB. [*Desk thumping*] But no, no, change the headlines from Reshmi means that we have to go and fund this from our current account, and we have no tendering. This project, as far I am concerned, no, did not go out for tender. Where is the transparency? We have gone from transparency to opacity; from being transparent to being totally opaque; from being responsible to being reckless.

Even if we had not gone to the IADB, Mr. President, we could have gone to the World Bank. Why did we not approach the World Bank? All the concerns being raised by the re-route movement founded by UNC would have been addressed so the project could have gone on. Where is the prudence? A synonym for “prudent” is careful and circumspect. Where was the care in funding this the way we have funded it?

Minister George spoke about the delays caused by the re-route movement. He spoke about the flooding, et cetera. But what people are protesting about over the highway is more than the highway; it is more than the funding of the highway. It has to do with this Government’s general tenor of dealing in a hostile manner with its constituents and when I say “its constituents”, I mean all 1.3 million people of Trinidad and Tobago.

The Minister talked about how long it took the PNM to do this, how long it took the PNM to do that. This Government is on a hasty mission to do everything.

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Legislation is brought here hastily that cannot pass muster. The beverage Bill had to be withdrawn after two contributions.

Sen. Singh: Nah, nah; that is not true. Hon. Senator, please give way. That is not true. The beverage Bill is not withdrawn, it is on the agenda. You are aware of that. [*Laughter*]

Sen. T. Deyalsingh: The debate had to be stopped after two contributions, haste.

Sen. Singh: Because the amendments were circulated late.

Sen. T. Deyalsingh: They built the jail in Santa Rosa hastily, then we had to fix a leak costing fifty-something million dollars, the building is empty; haste. They do not understand that governance is a process.

In our haste, we have dry-leased two ill-suited planes to fly to London and questions were not answered on that. In our haste, we appointed a police commissioner totally unsuited to the job; that is UNC haste. Haste! [*Desk thumping*]

Sen. Singh: Who is that?

Sen. Al-Rawi: Gibbs and Ewatski.

Sen. T. Deyalsingh: But the Highway re-route movement which is causing the delay, they could have been appeased from proper tendering procedures. They could have been appeased by not being called names like “sack ah aloo”, and they could have been appeased by not being referred to as “cults”.

Sen. Cudjoe: Or “hurry up and dead”.

Sen. Al-Rawi: Or hurry up and died.

Sen. T. Deyalsingh: Or “hurry up and dead”. That is what they say about a highway.

Sen. Al-Rawi: “Hurry up and dead.” Jack Warner.

Sen. T. Deyalsingh: So let me make it perfectly clear, the PNM has no problems with the highway. What we have a problem with is the process being followed to build this highway. Lack of consultation on the funding, lack of consultation on the residents who will be affected. They have no understanding of the process.

What is killing me is to hear Sen. George talk about acquisition. Do you know what the acquisition cost has ballooned like for this highway in the space of a year? It has multiplied by a factor of about two or three, whatever it was. Do you know what is happening? I make this charge; I would not call names, because the names are not important, the issue of acquisition for this highway is important.

You now have people known to them who have deliberately built brand new houses on lands, knowing that they are going to be demolished and that they will get paid off. There is a serious conflict of interest.

Sen. Maharaj: Mr. President, section 35(5).

Sen. Al-Rawi: Section 34!

Sen. Maharaj:—people known to who them? The Government? Standing Order 35(5), sorry. [*Crosstalk*]

Mr. President: I would think that that is not quite a disrespectful remark and I will continue to—[*Desk thumping*]

Sen. T. Deyalsingh: Thank you, Mr. President. Let me be more specific, there are people known to the UNC Government who have built homes on lands to be acquired. There is a serious conflict of interest occurring right now in NIDCO over a home, I say no more on that.

5.45 p.m.

Mr. President, let us talk about this highway. Sen. George talks about delays and so on. The delays are being caused because of their lack of transparency, lack of procurement and it is going to cost us, the taxpayers, a lot more money depending on what penalty clauses have been built into that contract. There might be costs of millions a day. I do not know. But what will be the final cost of this highway because we did not seek proper funding? And that is the issue about the highway.

You see the funding—if the highway was properly funded and we had done the proper environmental impact studies, as warranted by the IADB and the World Bank, Mr. Kublalsingh would not have had these problems. [*Crosstalk*] But that is what we are going with. It is amazing how they hugged up Mr. Kublalsingh in 2010 and then spat him out in 2013.

Sen. Cudjoe: “Uh, huh.”

Sen. Al-Rawi: Doctor.

Sen. T. Deyalsingh: Dr. Kublalsingh. While I am on spitting out, Mr. President, under Head 28 of this Bill, Ministry of Health, prior to Monday 21st—what month are we in? January.

Sen. Al-Rawi: “Yeah.”

Sen. T. Deyalsingh: There were posters and messages being sent out that Tobago had one ambulance. One ambulance!

Sen. Cudjoe: “Uh-huh.”

Sen. T. Deyalsingh: That was a big thing. Under Head 28 where millions of dollars for the Ministry of Health—I was in Tobago over the weekend—*[Interruption]*

Sen. Maharaj: Campaigning?

Hon. Senator: You went campaigning!

Sen. T. Deyalsingh: And I saw over the space of three days—*[Crosstalk]* at least four different ambulances. Four! Not one! That is the type of governance that we are getting fed up with, whether it is ambulances, whether it is the highway, the untruths, whether it is 22,000 jobs or two jobs, Trinidad and Tobago is just fed up of this.

Sen. Al-Rawi: Tobago demonstrated that.

Sen. T. Deyalsingh: So, we have gone from lack of transparency to opacity. We have gone from accountability to total irresponsibility over this highway. We have moved from being prudent to being reckless.

So, Mr. President, my very brief contribution ends with this, and I quote from Sir Josiah Stamp—and we have to learn that as our politics evolve, that it is now not proper to rely on bad precedent to justify your current bad actions. Those days are gone. And if each successive Government comes into power and says you did it, therefore, we are going do it, we do not evolve as a society, that is why governments are voted out.

So, I close with this quote:

“It is easy to dodge our responsibilities, but we cannot dodge the consequences of dodging our responsibilities.”

With those few words, Mr. President, I thank you. *[Desk thumping]*

Sen. Helen Drayton: Thank you, Mr. President. I will be very brief. I just want to deal with one matter in the Bill. It is NIDCO and the interim funding for the extension of the Solomon Hchoy Highway. What it says here is that Cabinet by Minute of No. 333 dated February 10, inter alia, approved the overall project budget of \$7.5 billion for the construction of the Solomon Hchoy Highway. It goes on to break down exactly what the \$7.5 billion covers.

It also goes on to say that NIDCO is authorized to source funds in the sum of \$7.5 billion on the local and international markets for the project. It speaks to the fact that the Government guarantees the loan, and it also said that it should be noted that arrangements for financing of the project have not yet been finalized. As a result, the Ministry of Works and Infrastructure requested that funding in the sum of \$1 billion be made available to NIDCO to honour financial obligations associated with the project.

The Bill goes on to say that to facilitate the request, an advance for Treasury deposits in the sum \$1 billion was issued. One thing here I observed, it says that as a result it should be noted that arrangements for financing of the project have not yet been finalized.

I now want to go to page 8 of the accounts of NIDCO. In note 1.1 it states that the financial statements have been prepared in accordance with the standard for SMEs, which is small and medium enterprises. Through you, Mr. President, the question I want to raise for clarification, does NIDCO with assets of over \$4.6 billion, managing projects over \$7 billion, and mandated to raise funds on the local and international markets, meet the criteria of an SME?

Now, the only reason a financial institution might look at those accounts and say well, okay, it is a fact that the Government is guaranteeing it; but in accordance with the definition of the International Financial Accounting Board, NIDCO is a publicly accountable company and it will not qualify in accordance with the criteria as an SME.

There are significant differences between an SME and a large publicly accountable company which NIDCO is, and that has to do with disclosure requirements. The disclosure in terms of financial information and other material management information is not as robust. In the context of a publicly accountable company, it will be required to disclose all the underlying risk management frameworks, and that would include the foreign exchange risk, liquidity risk as well as operational risk.

I think that it is a matter I would ask the Minister of Finance and the Economy as well as the Minister responsible for NIDCO to look into, as well as to the matter of any other publicly accountable enterprise being assessed by auditors on the basis of an SME. I think it is significant because what it suggests is that the level of transparency that one should expect of a company managing projects of over \$7 billion and with assets to the tune of \$4.6 billion, certainly, that is not available to the public. And with this particular project when it comes to procurement, when it comes to management of the project, it is important that we have accounts in accordance with proper general accounting standards for a company of that nature.

Let me point out that SMEs are defined by the International Financial Standard Boards as: those which produce statements only for the use by tax authorities or other government authorities. The IFRSB points out that financial statements produced solely for these purposes are not necessarily general financial accounts. It goes on to explain: that SMEs are defined specifically as entities which do not have a public accountability.

NIDCO has public accountability. They do publish statements for use by external users. So, I would imagine that if NIDCO is raising funds on the local and international markets notwithstanding a Government guarantee, that any financier would be interested in the capabilities of the management and the governance of that institution.

Now, this I think in the context of NIDCO and the International Financial Board, it goes on to say that if a publicly accountable entity uses IFRS/SMEs in its statements, in other words, in the old statements it says that this is done in accordance with IFRS/SME standards, what the board says is that such statements shall not be described as conforming to these standards. Even if the laws and regulations of its jurisdiction permit or require the IFRS for SMEs to be used by a publicly accountable body.

So, that if even in a local jurisdiction, the law, or the Government, or whoever the authority says, that okay, they are going use these standards, the accounts cannot it is forbidden for it to be said or stated that these are IFRS/SME standards.

What I am asking, I mean, I read it; I looked at the accounts. The reason I got there is that when I looked at the accounts, I had issues; and when I looked at the accounts in relation to 2010 and 2009, because it was the 2011 accounts, I had serious issues.

Now, probably historically, this is what has been happening. Probably with a number of state enterprises in terms of the accounts they are using certain standards and are not paying attention to what the parameters and the requirements are, and maybe this is something that has just continued. All I am doing here today is really seeking clarification. I would also like to say that even if NIDCO or the auditor is correct in using such standards, I would like to suggest to the Minister of Finance and the Economy and the Ministers responsible for state enterprises that are publicly accountable, the accounts must come to Parliament—they are scrutinized by the Public (Accounts) Committee—that for reasons of accountability, for reasons of transparency, for reasons of good governance, I do not think that these companies should be classified as small or medium enterprises, not with those assets and the mandates.

Let me give an example. The company's profitability before tax improved from a loss of \$405,000 in 2010 to a profit of \$14 million in 2011. Now, this is a fairly large material difference, but really there is no explanation in the accounts for that increase, although when I dug into the accounts it is due to two things: an increase in management fees and government grants.

A capital grant of \$165 million was received in 2001 to offset the impairment charge booked on the four passenger water-taxi vessels no longer in use. Then I noted as well that the loan interest cost for 2011 increased by \$13 million; from \$14 million to \$27 million, a 93 per cent increase. However, when you look at the corresponding loan principal balances I see no increase in the principal.

6.00 p.m.

So I am left to wonder or speculate whether in fact they were paying up interest from previous years or something like that. If this was done in accordance with proper general accounting standards, then these things certainly would be explained. So that the debt did not increase significantly; the interest rates have been trending downwards, yet the interest cost to NIDCO has gone up by \$14 million. I am only left, then, to speculate as to what has happened here. Also, one notes that there was an increase in the project expenses of \$1.5 billion, which was largely due to the Golconda to Debe project. So, when I look at the Bill and I look at the accounts of NIDCO, certain—as the Minister of Works and Infrastructure would say, red herrings, or whatever it is, come into my mind. I just cannot figure out what it is.

I will just touch briefly, continuing on that matter—it was not my intention to, but inasmuch as the Minister brought up the issue of the problems being experienced with the highway, I feel that I just cannot sit here and accept all of that, as a member of

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the public, as a citizen who is paying tax. I feel that any government spending \$7 billion/\$8 billion, the public, the citizens—and I am not just speaking here of one citizen—deserve explanations.

A cost-benefit analysis is not simply a matter of justifying a project based on a monetary cost, and I think the Minister alluded to that. It also refers, yes, to the social cost; yes, it refers to the environmental cost; it refers to the psychological cost; it refers to the social benefit and had these things been put in the public domain, I think it would not be a question of one protester; it is a question of the Government's explanation and accountability to the public of Trinidad and Tobago.

Now, there is no doubt in my mind—and I think the mind of every single citizen—that that highway is necessary, and I have not heard one single person, including the protestors, say: “We do not want this highway.” So to put this spin so that people who are not quite as aware—you know, or some bystander who is not aware of what is happening, one would be inclined to believe that there are people who are objecting to the highway. No one is objecting to the highway and the Government knows that. [*Desk thumping*] I think we need as responsible, not politicians, not Senators, but adults, to do what is expected of us as leaders.

One might want to take issue with an environmentalist. Mr. President, it is environmentalists all over the world. It is activists all over the world. They have stood in front of big tanks. They have died and their cause was not a cause that has brought benefit to them. The environment is a global issue and, as a citizen, I do not know yet how many miles that highway is passing away from the lagoon. The Government cannot tell me I have no right to know that. I have every right to know that the environment will be protected and it is unfair to say to citizens: “Take my word and believe that we will go everything, and the builders and everybody will do everything to see—” [*Interruption*]

I am sorry if that is the case and that goes to the heart of your problem. If that was the case; if, as you say, all these issues—you made a statement. You said all these issues could be easily debunked, then debunk them for us and then you will not have an issue. It is a question of attitude. It is a question of your communication. It is a question of arrogance and I think you need to step back from that; not fight with citizens, but have empathy with citizens. And I think that is a major problem.

The public of Trinidad and Tobago wants a highway. No one has disputed that fact; not one single person, even the people who will be displaced. They are just dealing with their little patch and that should be expected. That happens all over the

world. All over the world citizens protest against situations that they believe is a threat to them because they feel insecure; they feel frightened and an elderly person who has lived all their life in a place, to ask them the move, yes, the Minister admitted that it is psychological; it is traumatic, so the behaviour should not be one of arrogance. The behaviour should be one where: let me sit down and let me show them examples. All over the world highways have been built over swamps, around the swamps. Show the people the precedents. Get your public relations machinery working in a way that endears yourself, once again, to the public. Stop fighting with them!

Mr. President, with these few words, I thank you. [*Desk thumping*]

Sen. Faris Al-Rawi: Thank you, Mr. President, for the opportunity to contribute to this Bill this afternoon, a Bill to supplement and vary the appropriation of the sum, the issue of which is authorized by appropriation here. [*Interruption*]

Mr. President, it has been quite interesting to suffer an injury of the type that I am noosed this afternoon. Indeed, in court yesterday and pretty much today in the Senate, the usual question has been: what has happened? So, for those listening, perhaps I should volunteer a short explanation.

On the anecdotal side, the Tobago election, this Bill being well seated in Tobago as well, as you note in the columns and heads of expenditure by way of virement and appropriation, Tobago is well covered; but some of us who were in Tobago attempted to give the TOP at least one seat by encouraging at least 10 more people to vote for the TOP. Regrettably, I was met with such resistance, Mr. President, that I suffered an injury as a result of that; but I am sure that my bicep will heal quickly enough.

I wish to make a very short contribution this afternoon. [*Interruption*] There was no domestic violence in the PNM or otherwise, to my good friends opposite.

The Bill before us is really one which when portrayed and played out in the Senate is of little import. I say that because we have been met with the standard Standing Order 48 which allows us to debate a Bill on short notice, in this instance one day. We have been provided with a package which essentially is bereft of detail as my learned colleague, Sen. Baptiste-Mc Knight has pointed out and indeed other Senators have pointed out this afternoon. It is not something which we are called upon to vote on.

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This is a money Bill properly. It has come from the Lower House. In the Lower House, there was a Finance Committee which sat and dealt with this. The Finance Committee, as currently constructed with the majority that the Government enjoys in the Lower House, is one which results in whatever the Government says is passed.

So, regrettably, this debate does not carry us very far. In fact, the hon. Minister of Finance and the Economy demonstrated that, in the very short manner in which he introduced this particular Bill this afternoon. No criticism to him for realizing the apparent, but I wish to endorse very strenuously the commentary of my learned colleague, Sen. Drayton, in saying that it is really the explanation to the citizens of Trinidad and Tobago by way of detail that provides us with the opportunity to move away from an apparent hubris which the Government seems to be suffering from.

Mr. President, we are being called on this afternoon to consider, because we have no vote, the effect of this particular Bill. In summary for Trinidad and Tobago, the Bill asks us to approve roughly \$1.6 billion by way of further supplement onto the budget of the last year gone in closing off the financial figures. It asks us to approve \$2 billion in shifts of funds, basically, as a result of what has been described to be the realignment of Ministries. It asks us, as well, to allow for the transfer of funds from a place where they were originally described under one heading to another place under the same heading. So it seems rather than innocuous. Indeed, when one reflects upon the material, in particular the Senate package which we were gifted with to look at—and it is rather difficult to find papers with one arm—you will see that we have been given very, very short explanation.

For those who have not yet looked in the national community, who are paying attention this afternoon to the kind of detail which this Senate has been given and which one assumes Parliament gets, it is really a glorified table. On the left hand, it describes where moneys were allocated and, on the right hand, it says what you use them for instead.

The point that my learned colleague, Sen. Baptiste-Mc Knight, was pointing was that so scant was the description and so poor the explanation provided to the Honourable Senate this afternoon, that the little one-liners given to you which say under column after column, under Ministry after Ministry, in this case, of course, this Bill deals with 10 Ministries having a decrease in spending and 15 Ministries having an increase in spending—you see a shift from the left-hand column, mostly under the column of wages mostly under the column of employment opportunities, into a difficult form of expenditure.

What I understood my learned colleague, Sen. Baptiste-Mc Knight, to have been pointing out was that the explanation under the Trinidad and Tobago Police Service, at pages 47 and 48 of the Senate supplement document, included in the explanation there was a statement—and I accept the distinction which my learned colleague, Sen. George was attempting to provide—the position there was that the line item explanation, because it is entitled, “Reason for Savings”; the reason for savings offered there left open a construction which could go anywhere and really the point is that we need to have detail behind it.

Hon. Senator: O Lord!

Sen. F. Al-Rawi: You know, we are here in this Parliament to discuss issues and to better our process. We do not deal with an accrual form of accounting where we can account for the value for money that we have spent; so, at the very least, my learned colleague sitting in Government ought to allow Senators opposite to express their point of view on behalf of the citizens of this country because that is what we are here for.

6.15 p.m.

So rare is the opportunity these days to speak in this Parliament because we meet so infrequently. I think today is the thirteenth—yes it is? It is the tenth sitting of the Third Session of Parliament—tenth sitting since July last year. So, so rare is the opportunity that a Senator gets to grace these halls and volunteer an explanation on behalf of the citizens that the courtesy should be, at least, to listen without groans opposite. [*Crosstalk and laughter*]

Mr. President, the fact is that the explanation needs to be bettered, and that is so, particularly, in view of the kind of contribution offered by my learned colleague, Sen. George. He has proposed that those opposite to him are quick to forget history and not to know facts, and, in fact, he said that unless we learn our lessons in history we are destined to repeat them. You know, I found it rather spectacular that he should reflect in his contribution that way, not for the reasons offered by my learned colleague, Sen. Deyalsingh, but for other reasons.

Mr. President, let me, by way of example, point to my learned colleague that that form of reflection is something that he must take back in the group therapy that those opposite must surely have to undergo after their experience in Tobago, most recently.

Sen. Singh: Especially with the ship Calcutta.

Sen. F. Al-Rawi: But in the context of that group therapy—and, you know, I am hearing my learned colleague opposite talk about Calcutta, and statements made

when there are people sitting right behind him that have made statements of a type which I would never repeat in this Parliament, but I could.

Sen. Cudjoe: “Talk de ting man!”

Sen. F. Al-Rawi: So you must be careful about making statements that are divisive when there are Members in this Senate—[*Interruption*]

Hon. Senators: Deal with Sandy.

Sen. F. Al-Rawi:—that have a difficult tale. So, Mr. President, when we are talking about forgetting history, I wondered if my learned colleague, Sen. George, realize that under the heading of “National Security” and in dealing with the AgustaWestland 139 helicopters, that the story offered in January last year, specifically January 23, 2012, by the then Minister of National Security, John Sandy, as to the rationale for funding the helicopters, I wondered if he remembered what John Sandy had to say just one year ago.

Hon. Senator: Not Hilton Sandy!

Sen. F. Al-Rawi: And the fact is that stands so, all the much more exacerbated, when you reflect upon the contributions of the hon. Minister of National Security, Minister Warner, made in the Lower House on this very Bill. Now, Mr. President, when you look to the commentary—because the Minister of National Security is not here today to deal with—and the hon. Minister of Finance and the Economy has not dealt with the specific item of the acquisition of the helicopter which we seek to deal with here.

When we look at the contribution of the hon. Minister of National Security, Minister Warner, I wish to point out that it is in fact only the UNC that has a memory which is much like Swiss cheese, filled with large holes in it. The hon. Minister of National Security on January 22, this year, just a couple of days ago, said that—and, Mr. President, if you permit me to reflect upon his *Hansard* contribution—the Ministry of National Security—and I quote from page 9 of his contribution; he said what has been happening is that the Ministry of National Security has been funding the payments for these helicopters with its allocations. He said:

“‘Allyuh ordered it and eh pay for it.’ After the money was transferred—\$141 million—it became necessary to have additional funds to cover the main cost for the fiscal period.”

He went on to state, Mr. President—[*Interruption*]

PROCEDURAL MOTION

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Thank you very much, hon. Senator. Mr. President, in accordance with Standing Order 9(8) I beg to move that the Senate continue to sit until the completion of the business at hand.

Question put and agreed to.

FINANCE (SUPPLEMENTATION AND VARIATION APPROPRIATION) (FINANCIAL YEAR 2012) BILL, 2013

Mr. President: Sen. Al-Rawi, if you will continue.

Sen. F. Al-Rawi: Thank you, Mr. President. The hon. Minister of National Security also had to say at page 13:

“Remember that we had no money like they had long time.”

So the hon. Minister of National Security, in dealing with an explanation for the funding which is before us in this very Bill, Mr. President, some twenty-three oddmillion dollars, said two things: one, we did not have money like the PNM had long time and, two, they ordered these helicopters and did not pay for them. Mr. President, I was astounded that the hon. Minister could have offered that form of explanation—
[*Interruption*]

Sen. Deyalsingh: “10-2 eh.”

Sen. F. Al-Rawi: Well, not because of his “10-2” statement in Tobago.

Sen. Maharaj: Mr. President, Standing Order 35(3).

Hon. Senator: That is a new one for you, 35(3).

Sen. F. Al-Rawi: Well this is an interesting one.

Sen. Deyalsingh: 35—what?

Sen. F. Al-Rawi: 35(3). I do not think he has quite read 35(3) yet.

Hon. Senator: Granted it was concluded.

Mr. President: No, I do not think it was concluded in this House, I think the Minister is entitled to refer to a contribution made in the Lower House.

Hon. Senator: Absolutely! [*Desk thumping*]

Sen. F. Al-Rawi: Mr. President, thank you for your ruling. I would invite my learned colleague, in this fresh new year, to have a little reflection on the right of freedom of speech, and on the Standing Orders and learning in May’s.

Anyway, Mr. President, the fact is that on the issue of having no money that was quite an astounding statement if you reflected upon the fact that in 2010 when the People's Partnership came in a budget had already been passed in May. There were several months left then, I believe it was some \$45 billion. In 2011, they passed, and we supported, an approval of some \$51.5 billion. In 2012, the figure was \$54 billion. In 2012—2013, the most recent budget, \$58 billion. Mr. President, when you look at that that is over \$208 billion.

Hon. Senator: “What was the debt you leave?”

Sen. F. Al-Rawi: Mr. President, the fact is that in three years of UNC approvals, the PP approvals, this Government would have had in its coffers, in its hands, \$200 billion plus that the PNM in nine years had \$300 billion. So they are well advanced in terms of the amount of money; but what surprised me in that statement that the hon. Minister of National Security put forward as an explanation as to why this item of expenditure is present in this Bill, was his statement to say that the PNM ordered something and did not pay for it.

Mr. President, when you go back to the contribution of the hon. John Sandy, before he was unceremoniously dismissed by those opposite, in June 2012, and, specifically, in a debate much like this, in fact at 2.00 a.m. the hon. Minister of National Security, Minister Sandy, on June 05, 2012 gave us a completely different reason for the expenditure on the Agusta Westland helicopters.

In fact, Mr. President, the hon. Minister of National Security said that—I quote from page 297 of that contribution with your permission—he said:

“The previous administration negotiated the financing for the AW139s, via the US Exim Bank and BNP Paribas. They did not conclude the training and maintenance component of the loan, so funding has to now be done by the Ministry of Finance. That is why we are here now with respect to the aircraft.”

Mr. President, it is totally untrue, and it is a misrepresentation of position to say that you are taking financing in the last year in your closing off accounts to pay for a helicopter which the PNM did not pay for, when, in fact, a loan was negotiated for it, it was drawn down in fact, but it is the training aspect, a totally different component that we are speaking about—[*Interruption*]

Sen. Singh: And what is the value of that?

Sen. F. Al-Rawi: And in fact my learned colleague has anticipated well; it is the value of that training aspect which is a huge matter for discussion. In fact, both in January 2012 and in June 2012, I had cause to raise this. The hon.

Minister of National Security, then, in June 2012, was responding to something I said, and which my learned friend seems not to remember at all; and which the hon. Minister of Finance and the Economy has had no form of reflection upon. It is the \$1 billion that it will cost us in training and maintenance that is critical.

That is so because unless this Government levels with the country to tell us that it is behind, and grossly behind, in the preparations on the Government of Trinidad and Tobago's requirements to be fulfilled, unless it levels with us and tells us that we are going to see time and again, in supplementary appropriation after supplementary appropriation, requests for more money; it is not to pay for the helicopters, the loan was negotiated. It is the fact that the Government has failed to meet its obligations in its contractual arrangement with Agusta Westland that is going to involve us having to spend a billion dollars further. That is provided that we are able to complete our contractual obligations by the year 2015, because if we do not complete them by 2015 we are going to have to spend probably two or three billion dollars on top of that.

The hon. Minister of National Security, back in June 2012, said to the Parliament of Trinidad and Tobago—my learned colleague does not remember this, he said we are going to get the financing put in place. So we come here now in January 2013, with your colleague sitting opposite you, next to you, then, you were the Leader of Government Business then, telling you we are going to get the financing done for this and the financing has not been put in place.

So how can my learned colleague say people forget things when he was sitting less than six inches away from the gentleman who said to this Parliament, "I am going to ensure we put the financing in place", lo and behold, in this Bill, we have another appropriation being made, away from salaries, away from expenditures on training, transferring that money to pay out of the Heads given for another expenditure for the training and maintenance on the helicopters. But no statement at all as to how far behind the Government is on its training and maintenance obligations contract.

Hon. Senator: Ask that question.

Sen. F. Al-Rawi: I do not need to ask a question, I have said this now three times in Parliament and three times it has been ignored. But as my Leader says, "stick break in dey ear", and that is why you are sometimes obliged to repeat, ad nauseam, these comments because it seems as if they are impervious to courtesy, and that is the courtesy of informing you that something needs to be done.

Mr. President, I am heartened that we have a Minister of Finance and the Economy who appears to listen to issues. I have seen him stand and address issues. In his last budget presentation he did so, and I am hoping that these words fall on fertile soil that the Government's true state of play with respect to the Agusta Westland helicopters is going to be dealt with. Mr. President, the fact is that having raised the guarantee and borrowing limits for Trinidad and Tobago in three Motions, as we did, to \$32 billion above where it was, we are essentially mortgaging the futures of generations to come.

It is clear from my learned colleague, Sen. Deyalsingh's contribution and from the point on the Agusta Westland training and maintenance, contract side, that the obligations are going to be left for another government, surely not the UNC next, after 2015. [*Desk thumping and crosstalk*] Mr. President, the fact is unless we address these issues, Trinidad and Tobago suffers.

Sen. Singh: I need to tell him about the billions we had to pay for that.

Sen. F. Al-Rawi: Mr. President, apart from the issue of the helicopters, included there in the "National Security" heading is also issues of training with respect to the air guard, maintenance, vehicle purchase and other issues with respect to the air guard. Indeed, the Minister of National Security in the Lower House on the 22nd of this month also reflected upon the assets that the air guard controls, being, specifically, two C-26 aircraft—something again which I have mentioned in this Parliament.

6.30 p.m.

Mr. President, I wish to place on record again the fact that those two aircraft are flying with no form of worthiness certification. They are liabilities to the people of Trinidad and Tobago. They can result in the downgrading of our status as an international airport with prejudice, because it takes one accident, one mishap, one flap that does not open, for the C-26 aircraft which have been, in terms of engineering, pushed to the point of no return, with no manuals, with no certification. It takes one incident there to affect our FAA regulation and status.

My learned colleague is again quite correct. [*Crosstalk*] The fact is that Mr. Manning when he sat as Prime Minister of Trinidad and Tobago made the movement away from the C-26 aircraft.

Sen. Singh: "Cause they almost crashed."

Sen. F. Al-Rawi: It was dealt with by a move specifically towards the Dash 8 fleet, so that Caribbean Airlines could in fact maintain the aircraft. My learned friend is now pointing out to the fact of at least a public attempt to look at personal conveyance

mechanisms in the air for Prime Ministers of this country, because not everybody has an Agusta Westland helicopter at their disposal for movement to and fro, from Trinidad to Tobago, or to home or elsewhere.

Sen. Ramlogan SC: “Dat bothering allyuh.”

Sen. F. Al-Rawi: So it is an open secret—[*Interruption*]

Hon. Senator: Or to a political rally.

Sen. F. Al-Rawi:—or to a political rallies, for that matter—but our air assets not being used in the manner for which they were purchased or intended, not being used for dealing with and shoring up our porous borders, is in fact a crying shame. In fact, it is almost the most egregious form of boldfacedness to stand and tell us, “At least we not looking at a jet.” I mean, you need to look at the mote in your eye before you see the beam in another’s. When we look to the C-26 aircraft, I am putting the Government upon notice that it has the opportunity yet again to do something about this.

Included in this Bill—and this would probably be a very short point, running towards a conclusion—the hon. Minister of Finance and the Economy dealt with the transfer of funds. In dealing with the transfer of funds from one Head to another, the hon. Minister of Finance and the Economy dealt in his contribution with the issue of lower expenditure in certain categories being offset by higher expenditures. He referred us to current transfers, and he made literally a one-second reference—I think it was at 2.37 p.m.—to Caribbean Airlines, and a transfer of \$214.7 million. Mr. President, that is another most astounding thing, because yet again we are dealing as a Senate, as a nation, with a passing reference to a transfer and subsidy to Caribbean Airlines; in this case \$214.7 million.

In June, when we did a supplementation of the last financial year which we are seeking to close off, we dealt with a supplementation for transfer for CAL. In January we dealt with a supplementation for CAL. In the budget just concluded we made no reference to Caribbean Airlines at all, and today we see \$214.7 million for CAL.

As you know, this airline is running with an acting CEO, an acting chief pilot, a chairman who has said he knows nothing about aviation, a statement floating around when the hon. Prime Minister said, “I am going to change all boards soon, and I will realign things and I will deal with new Permanent Secretaries.” But we have, a one-second reference to \$214 million in transfers. Is this not properly to be factored in the context of the losses that Caribbean Airlines has suffered back-to-back years? The losses bordering some \$250 million, the losses to Air Jamaica, some \$300 million; the losses on the wet leasing to Omni of the London route.

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My learned friend, Sen. Deyalsingh, pointed to the wet leasing when the Lan Chile aircraft were brought here. Let me tell the nation what the Lan Chile aircraft leasing arrangement for the 767s are, very simply: it is an old 18-to-20-year-old aircraft. We leased them from Lan Chile.

Sen. Deyalsingh: With no GPS.

Sen. F. Al-Rawi: We have no GPS system in relation to it. We have pointed out with the position that there is a GPS drift when you fly over the water. There has to be a recalibration in respect of that. There is a direct cost to that. They were parked in Mexico for six to eight months doing nothing, even though we had leased them. We brought them onto our books, we paid for them and then we had to—because we had started the London route—fly to London, but we needed to keep that gate open. We had to wet lease aircraft from Omni. The cost of that wet leasing has never been identified for us—hopefully it will be soon.

But when you add the cost of the wet leasing, you add the \$250 million loss to CAL in 2011, let alone the losses in 2012, the Air Jamaica loss in 2011 of \$300 million, you are probably looking conservatively at \$2 billion in losses. Mr. President, it is an incredible thing that a banker as excellent as my learned colleague, Senator, now Minister of Finance and the Economy, Larry Howai, could make a fleeting reference to something like this, because it is the tip of the iceberg as to where we as a population draw the line on subsidies that will take us nowhere. We have to look at it in a business context. It is incumbent upon the Government to do something about the arrangement that prevails at Caribbean Airlines with respect to its board and its operation, with respect to the interregnum position on serious positions such as chief pilot, such as CEO. We have got to do something about that.

We cannot, under the assurance that this is a mere rubber-stamping process—not even a rubber-stamping—a passing through process in the Senate, because there is nothing to stamp, there is no vote—we really cannot treat the Senate with that level of contempt, so that we do not explain any of this.

I think in my short tenure here in the Senate that I have heard the hon. Minister, Vasant Bharath, the hon. Fazal Karim and the hon. Emmanuel George stand as the only Ministers in any budget presentation, to actually say, “I promised A, B, C, D and E, I delivered X, Y, Z, P, Q and R.” Three, in the entire Government; that is what in fairness I can say.

The hon. Minister George is the man who stood and told us about what he did in terms of the Navet replacement and the pipelines. I give him compliments and credit for that. Minister Bharath is the sole man that could stand and say, “I promised

four things in agriculture, I am sorry, I delivered six.” But we have fallen into a deafening silence in terms of value for money, because in this Bill we see \$2 billion for realignment of Ministries. The Bill says that there are four *Gazettes* that we must refer ourselves to that deal with new Government Ministries’ realignment. On January 23, 2012 we dealt with \$1.5 billion for realignment. So take January 2012, January, 2013, \$1.5 billion plus \$2 billion, \$3.5 billion in realigning Ministries—okay. Section 79 of the Constitution allows you to realign Ministries, but what have we gotten for the realignment? What is the product?

You have the liberty to do it. What is the product for having \$208 billion passing through the UNC, spending \$3.5 billion in realigning Ministries, 10 Members opposite meet change, 10 Senators gone from when we first started; well, what is the value for money? How has Trinidad and Tobago improved its position by spending \$3 billion in realigning Ministries? How? Where is the value for money? What is the effect? What is the percentage change? How have we improved our situation? There is nothing to say. It is incumbent upon us to call upon the Government, as we do now, to give us an explanation. Show us some proof. Show us that you are working, rather than just realigning yourself, because details slip away.

Look in this Bill, Office of the Prime Minister, under the Heading there, one-third cost for a party, \$9 million. Another Ministry for the same party, \$4 million.

Sen. Singh: What party is that?

Sen. F. Al-Rawi: This is the independence celebration, the pyrotechnics, one event—\$27 million for one event, \$4 million in expenditure on advertising, well, okay, it is an important event, it happened last minute. You did not want to include anybody. You published a whole set of mugs with the Prime Minister’s face on them. Congratulations for you, there must be some legacy value for that. But what did we get for \$30million? Why is it hidden and buried?

My learned colleague, Sen. Dr. Tewarie, dealt with the issue by way of answer in the Lower House that \$50 million was approved for the Government’s expenditure on the Independence celebrations. Is the \$27 million that we are seeing on this paper included in that? Is it beyond that, is it part of that? I do not know. It could be \$50 million plus \$27 million. It could be \$50 million minus \$27 million. No explanation, no courtesy to explain it. It is just there.

Another one that is just there: Trinidad and Tobago Police Service, under the Heading there, gratuities—\$2.7 million in gratuities. Who for? When you flip the page: Gibbs and Ewatski. What is that about? We asked something, we got an

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answer. The answer was more than an implication. The hon. Minister of National Security stood in this Parliament and said—page 22 of his *Hansard* contribution to this Parliament, I believe it was in November—“The Minister”—because he refers to himself solely in the third person. The hon. Minister says, “Jack Warner says X,” and “The Minister of National Security says X.” Okay, no problems. First person to third person says, “I acted upon the advice of the Police Service Commission. What they recommended we did.”

Lo and behold, inside of here the explanation is given that because of a Cabinet Minute in 1988, the Minister of Finance and the Economy no longer needs to present these things to Cabinet, that the Minister can make a recommendation to the Minister of Finance and the Economy and basically do it himself.

So we have right here to weed out from the details how Mr. Ewatski and Dr. Gibbs happened to get, in a breach of contract position, \$2.7 million in ex gratia payments, when, quote/unquote, they wrote to the Police Service Commission, and as we say in Trinidad and Tobago, “fire de wuk”. So they “fire de wuk” and got \$2.7 million to go home with, being exactly to the dollar the amount of money left in the 15 months of their contract to run. Well, Mr. President, people in Trinidad and Tobago are not stupid. It cannot be a fish with feathers. If it looks like a frog, it is a frog. [*Laughter*]

Hon. Senator: It is a flying fish.

Sen. F. Al-Rawi: So the fact is we have got to do better.

In this Bill, the Ministry of Justice highlights two hundred and something million dollars. What was not spent? What is it about? What was lost in that? What has happened to the judicial complexes?

6.45 p.m.

Sen. Deyalsingh: Masters.

Sen. F. Al-Rawi: Were tendering requirements met? There will be a lot to say on that, you know. I am giving my learned colleague, the Minister of Justice, a little heads up. We went to law school together. We spent very good years at law school. We have a Bill coming next week, sharpen your pencil. Get ready. The people of Trinidad and Tobago call for accountability, we call for explanation, we call for common courtesy. That is what the learned colleagues behind me this afternoon were speaking to. I take offence to the castigation that they are “one more PNM”. What is that about? You cannot be independent and speak your mind?

Hon. Senator: Are you serious?

Sen. Ramlogan SC: “Nah, is de manner in which he said it. Doh be silly.”

Sen. F. Al-Rawi: I know my learned friend—[*Interruption*]

Sen. Ramlogan SC: That is PNM plus one.

Sen. F. Al-Rawi:—my good friend, the learned Attorney General, who graces us infrequently with his presence in this Parliament—[*Interruption*]

Sen. George: Just like Sen. Fitzgerald Hinds. [*Laughter*]

Sen. F. Al-Rawi:—must know better than that.

Sen. Ramlogan SC: Where are Hinds and Penelope Beckles?

Sen. F. Al-Rawi:—and whilst they are in the library researching hard right now [*Laughter and desk thumping*] the point is that we have got to do better. [*Crosstalk*]

Sen. George: Look for the mote and the beam; the mote and beam.

[*Crosstalk*]

Sen. F. Al-Rawi: We have got to do better. [*Crosstalk*]

Sen. George: The mote in one eye and the beam in the other. [*Laughter*]

Sen. F. Al-Rawi: So, Mr. President, I call upon my learned colleague the Minister of Finance and the Economy, we are in year three, essentially, of this Government. They have one more year to make a difference because the last year is an election race. One more year, make it a good year. Borrow a leaf from the banking practice; let it be justified. Let an explanation come forward. Allow us access to the particulars. Let me not have to fight off people in Tobago who “doh” want to vote for the TOP and would injure me in the process.

Mr. President, please, it is a new year, I am confident that my learned colleague, Sen. Singh, has a legislative agenda, somewhere. We have met 10 times since July, one of which was the swearing in ceremony, so we had nine times here, and we had two Private Senators’ Days in that; seven times here doing work of the Parliament by way of their legislative agenda.

Sen. Deyalsingh: What agenda?

Sen. F. Al-Rawi: I am feeling ashamed to accept the small stipend that we get for coming here for seven days. I am ashamed. I am not used to being idle in terms of the pressure that I can take. We need to do work. Coming here with one day’s notice; coming on Wednesday and just getting a package on the desk to look at, presumes we are in good health but, Mr. President, surely the business of people can be run more efficiently than that. [*Desk thumping*]

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So I call upon the Government to reflect upon the messages that Trinidad and Tobago is sending to it. Bring yourselves into order. Have some discipline in your approach. Do not be afraid of hard work, particularly in the Parliament. Let us get on with the agenda of the people of Trinidad and Tobago. I thank you for the opportunity to contribute. [*Desk thumping*]

Sen. Dr. Rolph Balgobin: Thank you, Mr. President. I should begin by congratulating the People's National Movement on their victory in the Tobago House of Assembly election. I think it was a victory for democracy, the voice of the people. [*Desk thumping*] The people have spoken and so I congratulate them, but I also wish to explicitly note and congratulate the Government for their magnanimous response to the outcome. I think that it really speaks wonders for our democracy when you have an outcome and both sides accept the result, and I thought that barring, you know, the campaign itself was entertaining at times. I was only distressed once when I thought I heard a terrifically stupid and what appeared to be racist comment from one of the candidates—[*Interruption*]

Hon. Senator: Absolutely!

Sen. Dr. R. Balgobin:—and I was also disappointed with how that was dealt with, but aside from that, I think that we had and we weathered a good election and we have a result and life goes on.

I wish to just make some specific comments on the Bill before us, and also some general observations given this opportunity, well the opportunity that this Bill presents. I will start by just pointing out to the general public that the idea of savings in Bills such as these do not mean savings as a citizen may understand it. In many of these instances here savings just means it has not been spent yet. That does not mean it is not going to be spent, it is just not spent right now. So it is very important to note this because in several instances what appears to me is that the machinery of the State has not clicked, and so some things that ought to have been done perhaps did not get the opportunity to be completed. So it may also be a wake-up call about the implementation capability of the public sector, and it is something we ought to pay some small attention to.

I look at—well the most substantial aspect of what is before us really relates to the billion dollars that NIDCO is being asked to receive so that they can get on with the work of the Point Fortin highway. I was minded to note the South African definition of a “tenderpreneur”. That word, of course, is what they call a portmanteau between or of “tender” and “entrepreneur”, and it really speaks to a politician or an official that uses power influence to secure tenders, to secure contracts and so on that redound to their personal benefit.

Political scientists, of course, say that tenderpreneurship, left unchecked, can lead to a kleptocracy which is a mutated version, a corrosive and mutated version of a democracy. When that happens you can have the elite in a society—generally they refer to the political elite, but here I would say the elite of a society—that can manipulate the Executive, the Legislature and the Judiciary in order to achieve ends that favour the elite and that, of course, is called the elite capture.

We have had talk about this and notions of this going around in this country for many, many years, this idea that the elite capture power and influence and use it to their own benefit. I say that in the context of this NIDCO spend, to say the Point Fortin highway to me is not an issue of corruption, and I do not think that we ought to cast it in that regard. I think, on the other hand, there it is an issue of public procurement, and it ought to be viewed as such.

We ought to examine ourselves critically and ask ourselves what can we do different or better? What appears to me to be clear is that we must raise the standards of transparency. If we are handing over these large sums of cash for infrastructural work, then by all means citizens have apparently, an expanding expectation of details. They want to know more about what is happening, about the decisions that the Government that we elect is making. The truth is it is a reasonable expectation.

If I go back to 2010 for the general election campaign I think that it is fair to say that Government set that expectation; we set that standard. We said that we want to have transparency. There was a tremendous backlash against, you know, UDeCott and people who were there, and we said that we wanted to operate in a particular way. So, we now have to live with those expectations that we have set.

It is not any more sufficient to say, well we have never given that information before and therefore we are not inclined to give it now. I think that, on objective viewing, it seems to me to be unusual to build a highway out of your pocket. In fact, on researching, there are several options globally for infrastructure loans at very favourable rates of interest, and many times these things come with grants, generous moratoria and so on.

So, it begs the question; why are we having trouble to get a loan? Why have we started this project and we do not have the financing in place, and why are we having this sort of difficulty? To me, it is telling that Nidco itself has to go and get this as an entity, as a separate legal entity with a Government guarantee as opposed to the Government itself. But, if there are problems, Mr. President, then let us fix them together.

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I am minded to observe—and I am in support of what is put forward here—that it seems to me like we cannot feel proud about anything here. I cannot remember when last we have done a major infrastructure project that was not dogged by allegations of corruption, and that predates this Government. That is a part of our political culture.

If I go back to the Mount Hope and the construction of what was something that we could still feel proud of today. Mount Hope, many pieces of road, airport—you know, in most other countries in the world citizens look at these projects and they feel proud. Here we look at these projects and we say: “Well, this one is a tief.” I think we need to try to move beyond that. We have to be more positive as we look at projects like these. On the other hand, we also have to know, I would say to Government, that there is good governance. We have to know that nobody is profiting unfairly.

I think that, Mr. President, that something—when I listen to debates both here and externally, I think that something is happening in this country. I think it is something good because we are demanding standards of transparency and governance as never before. It is unfortunate for whoever constitutes the incumbent government that you have to face that, but the truth of the matter is—*[Interruption]*

Sen. Ramlogan SC: “We cyar face that man.”

Sen. Dr. R. Balgobin:—that people are demanding more governance, more transparency. It is always going to be uncomfortable for the incumbent, always, because there is no track record, there is nothing in our history, political or otherwise, that says that we have done this or we have had to do it.

So, I would encourage the Government and anybody who is involved in making these kinds of decisions to be very careful of the kind of thinking that says, there is nothing that says explicitly you have to give the information therefore you do not give it. I think that the society is maturing, and I think that the seeds planted in 2010 by the Government have germinated, they have taken hold, and so people are asking questions and they are entitled to. We should feel proud; I certainly do. I certainly do.

So the more information we get the more transparently we operate: I think our democracy is moving along quite nicely. As long as we have a free press, some may say too free, but as long as we have this kind of interrogation, I think that we are heading in the right direction. So what I would say is that something good is happening. It is really—well, you know, to the Government I would say that is a cross that you must bear.

In terms of productivity, Mr. President, I would say that having looked at this document in some detail I remain gravely concerned. I think that a balanced budget still appears to me to be too far off. I am sure that we can find 100 economists to tell me otherwise. I do not often see wealthy economists, so I do know how much I want to listen to them. I am talking here about the generation and the retention of wealth in a society. Wealth is a funny thing; you have to know something about it. It is not something that you think up.

7.00 p.m.

And so, I am concerned that we do not have a balanced budget in our immediate future and the structure of our spend in looking at what is here has become a major problem. The momentum of the years continues and so a very large percentage of what we spend—sorry, of what we earn is spent on things that are recurring. This has become a major problem and the changes in allocation that we are asked here to examine really do not change or impact much our efforts at increasing productivity or competitiveness, instead we have big news about borrowing and so on. I noted, to the credit of the Ministry of Planning and Sustainable Development, they have just sealed \$500-plus million loan from the IDB, but for a waste-water treatment facility or set of facilities.

But also, Mr. President, where we are too silent, perhaps because not enough is happening, nothing of that scale is happening to generate income, we need to celebrate investments, and to celebrate them we have to have them. We need to celebrate new firm formation, entrepreneurship. We want dialogue and strategies on how to improve our productivity. There is a major, major mismatch that our spend for this year does little or nothing to address, and that is a serious mismatch between our education, economic and social systems. The education system continues to produce people, too many of whom are irrelevant or insufficiently developed to go into the economy and immediately add value, and this is after 15, 16, 17 years of education. They are not able often enough to come into the economic space and start adding value. They then need to go into the economy and learn.

On the social side there is—I should not say small anymore—a significant and growing section of the population that is not operating by the same value system as the rest of us. They are not interested in joining the economic system, and CEPEP and the other social interventions we have, I think are of dubious efficacy when we contemplate this growing problem, the answers to which it is patently obvious we do not yet have, so there is a mismatch there and we need to resolve that quickly. And one way to address that is to address, very squarely, the question of the private sector.

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I am sorry that Minister Bharath is not here, because I really have to say that the Ministry of Trade and Industry does a very good job and the Minister does a very good job. [*Desk thumping*]

He is, to my mind, active; he is an active proponent for Trinidad and Tobago business and industry; he understands the regional context within which our business must operate, so he is a very good big picture thinker and I think he understands enough about getting the details done. I have to say that the public officials in the Ministry are also, in my experience, very proactive, very efficient, very good at execution.

So it is not to say that the whole Government is inefficient or the public sector is inefficient, they are pockets of excellence, and the Ministry of Trade and Industry is one; the Parliament is another. [*Desk thumping*] So, Minister Bharath ought to be commended. But at a macro level the role of the private sector needs to be enlarged as a part of a concerted strategy to lower government spend. Put simply, the Government employs too many people. The private sector, on the other hand, is starving for people, and so what we have is a culture of make work as a mechanism for—well as a part of a social service, is in fact strangling parts of the private sector. Then, of course, we have the nonsense that people come, even here to say, that the private sector is not willing to invest or does not want to employ people. Well, I do not think that is true. I do think that the private sector needs to mature and I think that too many businessmen in this country operate dishonestly and do not accept their national responsibility, their responsibility to add to what is happening in Trinidad and Tobago and to align with macro policies for development from a Government.

But, Government needs to not squeeze the private sector out. The private sector needs to play its part, and I am of the view that the Ministry of Trade and Industry, as an example, can tie concessions and so on to the achievement of international standards. In almost every industry there are global standards which regulate the access to the club of performers, whether it is ISO, BSEC or whatever.

So, the Ministry of Trade and Industry has the opportunity, I think, to, as an example, grow up the private sector. Let us create tigers here. Let us grow tigers right here, and the way we do it is not by just giving protection and concessions, but tying those things to the achievement or the attainment of global standards so that we can up our exports. Our biggest trading partner, Caricom, is going down with almost no possibility of reversal. What does that tell you? What does that tell us? Big hole or small hole, if the ship has a hole it is sinking. Sink fast, sink slow, you still end up where the *Titanic* was. So, I think that while we still have some latitude we ought to take the opportunity to effect this transformation.

A time is coming, Mr. President, where money as a lubricant, will no longer be there, and you know when lubricant runs out you have friction, sparks; at that point I think that we can have social problems, and the way to head that of is not merely to identify it and compare now with some previous time when some people did something crazy. It is really to say, well, how do we make this population more competitive, and the private sector must have a role. So, we ought not just to be looking at appropriations and how we—we did not spend \$10 on this so we spent it on that. Okay, fine, but from a macro perspective we ought to be thinking about making our population competitive. We are not as competitive as we need to be. Our population is not earning its keep. We still make most of our money from digging something out of the ground that we did not put there. The smallest section of our workforce drives the largest earner in our economy. What is it, 2 per cent? Three per cent?

Sen. Ramnarine: Three point seven per cent of the labour force.

Sen. Dr. R. Balgobin: How much?

Sen. Ramnarine: Three point seven per cent.

Sen. Dr. R. Balgobin: Three point seven per cent. What on earth are the other 96.3 doing? Not nothing, you know. What they are doing is providing goods and services for the people who spend money that is generated by the energy sector. It is a very dangerous place to be, and we ought to pay close attention. We need other options for earning revenue, even as we deepen, laudably, our exploration efforts; even as we search for more oil and in the process find more gas. What I get out of this, and I am grateful for the detail, as other speakers have said, more could have been provided, but I would say that we have got to be transparent and accept that the bar for transparency is rising.

I think in that regard we have unleashed something that is growing, and it is a good thing, that expectation of transparency. I think that we have got to be determined, because our patterns of behaviour are so engrained that we are headed for economic problems and still will not change course. So, we must be resolute and determine in order to effect a change, and we must be productive. We must focus our children on adding value on the creation and adding of value.

I do not think, for example, we understand the importance of manufacturing here. If I want to sell a product, as I was saying to the Minister of Finance and the Economy during the tea break, I just need two loaders and a truck. But if I want to make it, I may need 30 people and two or three trucks. The reason for that is the more value you capture in your economy, the more benefits there are to people in

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the economy, and the more you raise the standards of the people who are producing things in the economy, the more exports you drive, the more foreign exchange you earn, and the more you train your people so that they are not merely mindless and uneducated; you grow them. So that is the opportunity that we still have and that we ought to actively avail ourselves of.

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

Sen. Shamfa Cudjoe: Thank you, Mr. President. I want to thank you again for the opportunity to contribute to the debate on this Motion—on this Bill. Before I get into my contribution I want to wish you, Mr. President, God’s richest blessings in 2013, and I want to say happy New Year to my colleagues here in the Senate. It is our first time seeing each other within these walls for the year, so I want to wish you all the best for 2013.

Mr. President, it would be remiss of me if I do not congratulate the People’s National Movement on our resounding victory in the Tobago House of Assembly election on Sunday. [*Desk thumping*] We dealt the TOP and the People’s Partnership 12 nil, making history in the Tobago House of Assembly election. I want to extend best wishes also to our political leader Tobago Affairs, Mr. Orville London, on his fourth consecutive term as Chief Secretary and his new team. I wish them a productive year, a productive four years and we look forward to good things to come as Tobago embarks on its next development chapter.

Now, Mr. President, I must also thank the People’s Partnership Government, for the magnanimous way in which they have dealt with this. I was somewhat hesitant in thanking them for how they dealt with it, because I was displeased on Monday night when Mr. Jack had to make his concession speech. He stood there alone, and I think that that was somewhat unfair, because the whole weekend the People’s Partnership Ministers and their entourage were up and down with him for the whole weekend.

Every time you saw Mr. Jack, you saw the Prime Minister and Ministers walking with him in the streets, and they were there throughout the weekend, to the point that some of the TOP candidates said that they had taken over the show and they did not get to sell themselves. That could have been one of the reasons they lost. A whole lot of reasons have been bandied about as to why they lost, but he stood alone on Monday night, while some Ministers were on their way back to Trinidad. [*Interruption*] [*Laughter*]

Hon Senator: Like Manning on election night in May 2010.

7.15 p.m.

Sen. S. Cudjoe: So, that is why I was hesitant in congratulating the Government, [*Crosstalk*] but I am still congratulating the Tobago House of Assembly winners, Mr. President, and thanking also other Members of the People's Partnership Government. I do not know what it was that they were drinking when they were locked away at Canoe Bay, what kind of truth serum it was, but I remember the TOP candidate for Plymouth telling the people to vote the PNM, even Sen. Moore in Plymouth told them to vote the PNM. [*Desk thumping*] Minister of Tobago Development, representative for Tobago East, called the people in Moriah "PNM people". So I want to thank those representatives also.

Now, Mr. President, before I dive into my contribution I want to deal with some of the statements that were made earlier, first and foremost, Sen. Emmanuel George. I find it rather disingenuous, just like he said, "disingenuous" of Minister George to say what he had to say to Sen. Baptiste-Mc Knight. He said that she was "cussing" the public service and he found that she was—[*Interruption*]

Sen. George: I say "cussing" the public service? Do not say "cussing nah man," come on "nah". Use a different word.

Hon. Senator: Berating.

Sen. S. Cudjoe: Mr. President, I know what I heard when I sat here when Sen. Dr. Balgobin was speaking—[*Interruption*]

Mr. President: I did not hear that language. You will have to withdraw that. You will have to withdraw it, Sen. Cudjoe.

Sen. S. Cudjoe: Okay, no problem, Mr. President, I will withdraw it.

Mr. President: I would not have allowed such language to pass here.

Sen. S. Cudjoe: Okay, it is what I heard, but I will withdraw, I will withdraw and I am speaking to you, Mr. President.

Mr. President, I found it rather disingenuous for him to say these things to Sen. Baptiste-Mc Knight because I remember last year when Sen. Moheni and other Senators from the People's Partnership Government came to Parliament and they spoke about the Auditor General's Report; 2005 Auditor General Report at the Tobago House of Assembly, and they were not as gracious to the Tobago House of Assembly for the same glitches in the administration and the public service that Sen. Baptiste-Mc Knight pointed out today in the report. Also, when the Auditor General found the same problems in the Prime Minister's office I did

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not hear the same cry from the People's Partnership Government; also for the PURE programme when the Auditor General found problems in the PURE programme and asked them to account for it, I did not hear them crying out. They were not as gracious to the Tobago House of Assembly, but we will get the chance to deal with that at another time. I have my contribution here lined up.

I want to support Sen. Drayton in saying that this Government must change the way in which they communicate. They have a way of dealing with things arrogantly, they do not listen and they try to put a spin on everything to suit their own political games. I say that because even in Tobago the polls told them that they were losing, they did not listen to the polls. They brought their own crowds from Trinidad. I remember seeing Petit Valley to Port of Spain buses running up and down transporting people in Trinidad, and when things did not go right [*Interruption*]—

Hon. Senator: In Tobago.

Sen. S. Cudjoe:—in Tobago. I was at Hope Junction when I saw that, and when things do not turn out in their favour they wonder why.

Mr. President, allow me to go on. I will turn now to the Bill and the supporting documents. My first concern is in the Ministry of Tertiary, Education and Skills Training and I would direct colleagues who want to follow pages 33—46. As a young person coming out of the Youth Movement—[*Interruption*]

Hon. Member: [*Inaudible*]

Sen. S. Cudjoe: No, the Youth Movement, Tobago Youth Council, National Youth Council, Caricom Youth Ambassador.

Sen. Al-Rawi: “Dey doh understand Tobago story.” [*Desk thumping*]

Sen. S. Cudjoe: Yes, Mr. President, as somebody coming out of the Youth Movement and today the Youth Movement has, I do not want to say it has died, but it is not in a pleasant place and the young people are not comfortable, are not happy and are not pleased with what is taking place right now.

Now, I know last year Sen. Coudray had been doing some work on the National Youth Policy and there had been some consultations, but apparently the young people probably feel that this Government is not taking them seriously. We had experienced the same thing under the Panday administration. We had experienced the same thing then and it seems that we are experiencing it again in 2012/2013. One thing I could credit the Panday administration for, is that they

started the National Youth Policy and when the People's National Movement came into power we continued to build on the National Youth Policy to strengthen youth organizations and to build the National Youth Council. When this Government came into power they had stopped the process. I remember Minister Roopnarine making the announcement in Parliament in her first budgetary—on the first discussion, but today I feel disappointed and I have some rather unsettling sentiments within me, Mr. President.

Mr. President, I looked through pages 33—46 and this is dealing with the Ministry of Tertiary Education and Skills Training. I also paid some attention to the MyPART, MILAT—the mentoring programmes that started under Sen. Sandy that we were all pleased about when they brought home Colin Powell and the other people from the US to assist in that programme, and to date we are wondering what happened to that programme. Today we are wondering what is happening with so many training facilities and programmes for young people, and we really find this Government wanting on providing opportunities, training and education for young people. [*Crosstalk*]

Now, I want—anybody who wants to question what I am saying can turn with me from pages 33—46. Programmes like the Medical Post-Graduate Programme, \$168,000, that is 30 per cent of the allocation that was deducted; the Eric Williams Medical Sciences Complex, that budget was cut by \$22,307,000. That is a programme for interns.

Mr. President, subsidies for Mount Hope students, that was cut by \$15,274,800. As you go on you see significant cuts in critical programmes for youth development, training and education. The National Training Agency, cut by \$18 million; the HELP Programme, that is the (Higher Education Loan Programme). This is a programme for people who want to go away and study—would use this programme, when you come back you repay the banks. I did my masters on that programme. That programme was cut by \$14 million; the OJT Programme, cut by \$78 million; the MuST Programme, (Multi-Sector Skills Training Programme); you could go on and on throughout these pages; the YTEPP (Youth Training and Employment Partnership Programme). Now that programme is close to my heart because I remember when we started CEPEP in the Tobago House of Assembly, as you know the Tobago House of Assembly developed the CEPEP Programme; an well at first it was called the Community Enhancement Programme. This programme was developed in such a way so that women could do their work in the morning and then enrol in a MuST class or a HYPE class or a YTEPP class in the afternoon. Most of the beauticians in Tobago—well the people who do my hair and my nails, they did CEPEP in the morning and then took the training sessions during the afternoon.

So, to see CEPEP, to see YTEPP being cut by \$27 million I wonder if we are really achieving what we had set out to achieve when we established these programmes and I would like the Minister to take a look at these youth training programmes because as a young person and on behalf of the other young people who are asking questions—I talked to some young people today and this was their concern. What is really this Government’s policy on youth development, on training for young people and education for young people? There is a girls’ centre in Trinidad, I think it is El Dorado Girls, I could be wrong—[*Interruption*]

Hon. Senator: No it is closed now.

Sen. S. Cudjoe: What is it?

Hon. Senator: It is closed now.

Sen. S. Cudjoe: That is closed now. And the same thing we experienced under the UNC and NAR administrations in Tobago—we had a centre in John Dial that was closed. So there seems to be a pattern that keeps repeating itself under the UNC administration and I would really, really like the Government to take a look at this, and through you, Mr. President, Sen. Coudray, we would like to know what is going with the youth policy. I know you started some work and we just want to be kept up to date about what is going on, because many of the youth organizations, the youth councils are sitting around waiting to hear what is going on with this. So, I will move on.

Mr. President, something that is critical about these institutions; these institutions play a major role, an integral part in the development of our young people and in lifting people up and out of poverty, so they improve on your socio-economic status.

Now, Mr. President you give a man a fish, you feed him for a day; you teach him how to fish, you feed him for a lifetime. These programmes train people how to fish. These programmes give you the necessary resources and training and development so you can lift yourself up and out of poverty, so you could feed your families, you could educate you children. I am really concerned about the investment or lack thereof, the lack of investment that is being made in training and in education.

On the platform in Tobago, the Prime Minister would have said, “Tobagonians do not care about section 34 or about Mr. Jack’s house. What Tobagonians care about is food in their mouth and money in their pocket”. Now, I want to make the point that development for young people, development for

Tobagonians, for Trinbagonians, it moves way beyond money in your pockets and food in your mouth. It is about self-actualization, it is about self-empowerment, it is about waking up in the morning and knowing that you can buy your own food, you could feed your family and you could send your children to school. It is about being able to do what you want to do and be who you want to be. I do not think that this Government has captured that concept—[*Crosstalk*—and that is reflected in the way they carry about themselves and the way they handle the country’s business. I will tell you why.

Mr. President, I am speaking about recent activities because they are closest to my memory; as Sen. George said, “PNM people have a short memory”. So I will give you examples from a short space of time. Over the last two months this People’s Partnership Government, against the backdrop of cutting out these youth programmes and these training programmes they brought to us cell phones, food, hampers, money, you name it. As Minister Ramadharsingh said last year in December in the launching of a social programme in Tobago he said, “Man have to eat”. And while they call people to the Esplanade and play, “*Poverty is Hell*: Ten little children four dumpling, mammy has to slice them tin, tin, tin”—and handed out hampers in Tobago. “Man have to eat; we came to save you; we came to rescue you”; but development of our young people and our people moves further than that. [*Desk thumping*] That is food for a day. What happens after your hamper is used up? What happens “when your money done”, when you have no more money in your pocket and no more food in your mouth for that day?

Mr. President, my brother and his friends received six cases of beer, two bags of chicken parts and \$500. They say that is for the celebration.

Hon. Senator: What celebration?

Sen. S. Cudjoe: What celebration?

Hon. Senator: The PNM celebration?

Sen. S. Cudjoe: What I am saying is preparing our young people for the future has to be more than that. We have to find ways to lift our people out of poverty and education and training is definitely a measure that we can use to do that. They came to us; they said, “We came to free you, to deliver you out of your shackles and you bondage”; night after night as we listened to *Redemption Song*. This Government sees no problem in cutting critical educational and social programmes throughout the year. But at the end of the year when it suits their political expediency they come to you with all these handouts that can only last but a short time; but our people have grown up and out of those situations, and Tobago showed them that on Monday. [*Desk thumping*]

7.30 p.m.

This Government believes that everybody is shortsighted and everybody has a price and we do not see past the two weeks after the election; two weeks after the celebration. We have to get up and out of that. Mr. President, what I want this Government to know is that there is no sweeter redemption song than the song in your heart when you can do for yourself, [*Desk thumping*] and feed yourself and feed your family, not just around election time, but throughout the entire year.

So, Mr. President, I move on to my next point. This document speaks also—on page 44 of the Senate document, I see that—let me get to the document. Page 44 of the Senate document—I am reading from the first paragraph. This is under “Savings”, Mr. President:

“Plans in respect of the Drafting and Amendment of Law regarding the THA Act; as well as institutional strengthening and computerization of the Ministry were rescheduled for commencement in fiscal 2013 -...”

And that is a total of \$2,402,000.

Now, Mr. President, this Tobago House of Assembly Act is supposed to be a part of a package to facilitate internal self-government for Tobago. It should have been a part of the Constitution Bill that was laid in the Lower House on the 7th and subsequently debated on the 16. Mr. President, as you know, the Tobago House of Assembly had unanimously—that is both sides; the TOP and the PNM. We had embarked on a process through a Motion moved by the leader of the TOP, Mr. Ashworth Jack, in 2005 to develop legislative measures and positions on internal self-government, so that we, all, as Tobagonians, would speak to Trinidad with one voice. We set out to prepare draft Bills and draft legislative measures. We had widespread consultations to speak with the people of Tobago, so that in turn, we would turn to Trinidad and speak to Trinidad with one voice.

Mr. President, you would remember on the 16 in the midst of the debate in the Lower House, this Government left us hanging. The Bill was not sent to a vote; the Bill was not sent to a joint select committee as the Prime Minister had informed the nation before that the Bill would go to—because the people of Tobago, especially, were concerned that we had not seen this Bill; we do not know the provisions of this Bill. And the Prime Minister said that the Bill was going to be sent to a joint select committee so that we would then be able to comment on the Bill and have our recommendations and so on.

Even in their consultations, when they went about Tobago—the committee of the independent members of which Sen. Christlyn Moore, who is no longer independent, was a part of—they told us they would come back to us after they were through with their consultations, and never did. But, Mr. President, as I said, on January 16 in the debate, where the Bill was supposed to go to a joint select committee, this Government left the Bill hanging. So there are some questions now as to what is going to happen next. And you see here that they could not have been serious about the process. It was probably for political expediency because the \$2.4 million was taken back and the process was rescheduled to start in 2013.

So, Mr. President, they left us hanging. They left us hanging just like, as I said before, the People's Partnership left Mr. Jack hanging on Monday night. They left us hanging just like Mr. Jack left his motion and his process hanging in the Tobago House of Assembly. Mr. President, they left us hanging—[*Interruption*]

Hon. Senator: [*Inaudible*] Supplementation of Appropriation Bill.

Sen. S. Cudjoe: Mr. President, they left us hanging just like Monday night after the election; the servers up at Market Square said they came to serve the Prime Minister. They did not say the Prime Minister, they said, “We came to serve Kamla for the celebration.” They had big screen and music truck on Monday. And that is how they left us hanging, Mr. President. Pelau for so! Pelau for so, and bags of ice, waiting to celebrate! So they left the Bill hanging just like they left Tobago hanging on Monday night. Mr. President, this Government embarks upon its own process and runs out on its process. It makes you wonder how serious this Government is about Tobago—internal self-government for Tobago and all things related to Tobago.

A couple weeks ago, around the 13th—they set out to open the Roxborough gas station on the 14th. On Monday night of the 13th, cement trucks were turning up at Roxborough and workers working late at night so that this gas station would be delivered on the Monday morning.

Sen. Ramnarine: Six-and-a-half months—record time.

Sen. S. Cudjoe: Have not pumped a litre of gas yet.

Sen. Ramnarine: No, no, no. The gas station is open.

Sen. S. Cudjoe: I hear you. It is open, but did it pump a litre of gas yet?

Sen. Ramnarine: I will take you tomorrow to buy some gasoline.

Sen. S. Cudjoe: Anyway, Mr. President, it makes you wonder if they are serious about development for Tobago. It is the same thing for the integrated campus. The whole idea of an integrated campus for Tobago came about before the Penal/Debe campus. But there is money allocated to the Penal/Debe: \$.5 billion, and construction has started. The construction has started.

But, Mr. President, nothing for Tobago, but we keep on hearing talks about this integrated campus, and when you talk to the UWI and the COSTTAAT and the other schools and stakeholders that this Government said they are going to be working with for this integrated campus to be made a reality, they have no idea about how this integrated campus is going to work. They have no idea about how this thing is going to work when you talk to the stakeholders, Mr. President. And as much as they keep talking about this integrated campus, there has been no money allocated to the integrated campus.

So, Mr. President, a couple weeks ago this Government, again, got some space in the TLH building in Tobago and started up—they said they are opening the UTT campus in Tobago—“yeah”, the UTT campus in Tobago, Mr. President. At the ceremony they could not say when the campus is going to be ready to start operating or when they are going to be ready to enroll their first student. But they do not want Tobago to think that it is a political gimmick. This is a project for Tobago’s development, as they say. You cannot tell me when you are going to open or when you are going to receive your first student, but it is not politics.

I read in the newspaper, Mr. President, January 19, 2013, a story by Elizabeth Williams of the Tobago Bureau: “UTT students cry discrimination”, where a student from the UTT guild showed up in a PNM jersey and was not allowed to enter the event, but a student in a TOP jersey entered the event, and the President of the UTT Student Guild was wearing a red, white and black tie. He was asked to remove his tie because his tie was offensive. So how am I supposed to believe that this development is for Tobago and to move Tobago forward and it is not a political gimmick?

Mr. President, it takes me now to another Tobago issue: The Consolidated Fund. Clause 2 of the Bill is asking for a further issuance of \$1.568 billion to be issued from the Consolidated Fund. Mr. President, when you check the Bill, at least 13 Ministries received increases.

Sen. Al-Rawi: Fifteen, not 13.

Sen. S. Cudjoe: My colleague here is telling me 15.

Sen. Al-Rawi: No, you are right, 13.

Sen. S. Cudjoe: Mr. President, nothing for Tobago. All right. So increases for at least 13: Ministry of Finance, \$9 million; Ministry of Education, \$40 million; Ministry of Health, \$4 million; Local Government, \$2 million; Ministry of Justice, \$276 million; Works and Infrastructure, \$888 million; Land and Marine Affairs and Housing, \$594 million; Ministry of Tertiary Education and Skills Training, \$882 million; Ministry of the Environment and Water Resources, \$648 million. Mr. President, in the end, that totals to \$3.4 billion. But, Mr. President, what they are asking for is \$1.568 billion out of the Consolidated Fund, and that is the point that I am making.

Now, Mr. President, Trinidad—central government—has the ability to borrow. When they run out of money during the course of the year they come back to the Parliament and request more—a further issuance from the Consolidated Fund, but that is not so for Tobago. Whilst the Tobago House of Assembly gets what is allocated in October, that is it—no borrowing, no coming back, Mr. President. The only time Tobago could get money is if the Government goes back into the Consolidated Fund. And under section 5 of the Tobago House of Assembly Act we are entitled to at least 4.03 per cent of the money coming out of the Consolidated Fund. That is what the law says; that is what is mandated, according to the law, and that has been the practice up to 2011, and I have spoken about this over and over. Every time we come back to the House for more money from the Consolidated Fund, I raise this issue. [*Crosstalk*]

In January—I want to give you the figures for those who might be questioning because, Mr. President, this Bill abrogates, violates and disregards the law, and this Government is prepared to disregard the law as long as it is for their political expediency. Four point zero three per cent of any money that comes out of the Consolidated Fund—section 5 of the Tobago House of Assembly Act.

So work with me, Mr. President. October, 2011 when the budget was read—because we are dealing with the last fiscal year—the budget was \$54.6 billion; Tobago got \$2.2 billion. That is 4.029 per cent. When you round it off it gives you the 4.03. They did not give us an extra cent.

In January of 2012, the Government came back for \$2.7 billion from the Consolidated Fund. It took the Fund up to \$57.3 billion. It took the budgetary allocation to \$57.3 billion, leaving Tobago at \$2.2 billion because they did not issue our 4.03 per cent to us.

Sen. Al-Rawi: The second time you have said this.

Sen. S. Cudjoe: Here is my colleague telling me that I have said this before. I mentioned this in January of last year and I went back to my *Hansard*. So when you work out \$2.2 billion of the \$57.3 billion, you get 3.8 per cent. That is taking us below the 4.03 per cent.

Then they came back again, Mr. President, June 05, 2012 for another \$1.5 billion, taking the budgetary allocation to \$58.8 billion—nothing for Tobago. I mentioned it again, Mr. President. So Tobago remains with its \$2.2 billion out of the Government's \$58.8 billion, taking Tobago's share down to 3.7 per cent, which is below the 4.03 per cent, which is the minimum mandated by the law.

Sen. Al-Rawi: Third time in one year.

Sen. S. Cudjoe: And now today, they are asking for \$1.56 billion, taking us up to \$60.4 billion—nothing for Tobago! Nothing for Tobago! Tobago still is at its \$2.2 billion given in October of 2011, bringing Tobago's share down to 3.6 per cent.

Three point six per cent, just in case anybody wondered, is under 4.03 per cent, lower than what the law mandates.

7.45 p.m.

This Bill, Mr. President, is a clear abrogation and violation and disregard to the law of this nation. [*Desk thumping*] That is compounded—we are still talking about the last fiscal year—by the fact that up to the ending of the fiscal year—last year, I remember being here in June/July last year and \$100 million of what was allocated to us since October 2011 was not transferred to the Tobago House of Assembly. “Yeah.” One hundred million dollars for recurrent expenditure for paying salaries and expenses of that nature. I remember Sen. George said if we forget our history, then we are doomed to repeat it.

Mr. President, that was the same thing when the Tobago House of Assembly, NAR had joined with the UNC, 1999/2000. Mr. Panday and his administration starved us for funds. We were heading to an election in 2001. I remember being an employee of the Division of Finance and when you went to the bank, they were not taking your cheques and they were giving you no loans. So when it is election time, you do not get your money because central government is trying to make those in the Assembly look bad. But we cut and go through and we made it through, Mr. President. “Yeah.”

So I do not mind the moaning and the groaning because when all the untruths and everything was being said about the Tobago House of Assembly, nobody was moaning and groaning then. They believed that would have taken them through a

Tobago House of Assembly election to victory, to the point that Tuesday they thanked the nation for their support because they thought they “woulda win”. All right [*Crosstalk*]

Sen. Beckles: How did she behave?

Sen. S. Cudjoe: So, Mr. President, I am speaking to the people of Tobago and the people of this nation through you. [*Desk thumping*] So those opposite could say as they want and moan and groan as they want.

Sen. Al-Rawi: Can they close the account? It is a breach of the law.

Sen. Moore: Faris, please pound louder—

Sen. S. Cudjoe: Yes.

Sen. Singh: I could imagine your behaviour in there.

Sen. S. Cudjoe: So, Mr. President, they are the least of my problems. As a matter of fact—they are the least of my problems. I will leave it there.

Sen. Moore: Sandpapered man.

Sen. S. Cudjoe: Mr. President, as the old people in Tobago say,— [*Interruption*]

Hon. Moore: That is what my mother would recommend.

Sen. S. Cudjoe:—“Goat ah merry ah road. Yuh nuh know, ah pound yuh ah go.” The goat is merry. It is merry going about its business. It is merry in the road. It does not know it is the pound it is going to and soon all this merry time “gonna” be done. “Goat ah merry ah road. Yuh nuh know, ah pound yuh ah go.” Anyway, Mr. President, I will go on.

The saga continues. Right now as we speak in this financial year, \$625 million that was supposed to be transferred in the first quarter, to this date not a cent. Not a cent for the Tobago House Assembly. We are writing and calling and trying to reach the Minister of Finance but it is election time.

Sen. Beckles: On the news tonight they gave it to them the \$600 million.

Sen. S. Cudjoe: On the news tonight—well, they already lose—they now announce that they are giving us the \$625 million, but it should not have to reach to that, Mr. President. You cannot play politics with the development of a country.

Sen. Al-Rawi: “Aaah!” [*Desk thumping*]

Sen. S. Cudjoe: You cannot play politics with the livelihood of people. You coming out of Christmas where you receive your salary early and people really cannot wait for their salary at the end of January. I can tell you that working for years as a public servant. And you are playing politics not giving recurrent allocation to the Tobago House of Assembly playing with people's salary just because you want to win. Mr. President, in Tobago we are not bought or sold and we are people of values and integrity and small change do not move us. [*Desk thumping*]

Sen. Al-Rawi: "Aaah, tell them."

Sen. S. Cudjoe: And on Monday you saw that.

Sen. Al-Rawi: Tell them, tell them.

Sen. S. Cudjoe: So, Mr. President, I call on this Government to follow the law. Simple. Follow the law. Rectify this matter. Rectify this blatant violation of the laws. I call on the Government to stop this disregard and disrespect for the Tobago House of Assembly and the people of Tobago. I call on this Government, finally, to stop campaigning and get on with running this country.

Sen. Al-Rawi: Yes. [*Desk thumping*]

Sen. S. Cudjoe: What do you have to show for all this mess that you have created?

Sen. Al-Rawi: Seagulls.

Sen. S. Cudjoe: Yes. The first female Prime Minister, the first coalition of this country, of which many people are very proud, but at the end of the day what is your legacy? Other than destroying all the institutions and messing with the livelihoods of people, what else do you have to show for this? What is the legacy the first Prime Minister of this nation and this coalition Government, that came in on a wave of hope, in 2010, what is your legacy other than a myriad of mischief, untruths, and misrepresentation.

I call on this Government once more, through you, Mr. President, to pull up their socks, to buckle up and deal with governing this country and running this nation in a proper and effective way. With those few words, Mr. President, I thank you. [*Desk thumping*]

The Minister of Tertiary Education and Skills Training (Sen. The Hon. Fazal Karim): Mr. President, let me thank you very much for this opportunity to join this debate and since it is the first time for 2013, to wish you and all my colleagues, on both sides, all the best for the New Year.

Mr. President, as I stand to contribute to the Finance (Supplementation and Variation of Appropriation) (Financial Year 2012,) Bill, 2013, let me start by saying my heartiest congratulations and admiration to Sen. The Hon. Larry Howai for steering us very successfully in the other place and will do so here again, later tonight as we wrap up. [*Desk thumping*]

Mr. President, I did not think I was going to speak tonight. My leader of the House indicated only if it was necessary, and it only became necessary a few minutes ago. [*Laughter*]

Sen. Deyalsingh: Tempted.

Sen. The Hon. F. Karim: It became necessary, Mr. President, when I thought that we were going to be debating—[*Interruption*]

Sen. Deyalsingh: She provoked you?

Sen. The Hon. F. Karim:—this financial supplementation and variation appropriation Bill. But then what we really heard was not a contribution on this Bill. We heard about the recently concluded THA election, 2013. I want to tell my friend on the other side, “election done, wuk continuing.” [*Desk thumping*]

Sen. Cudjoe: You should know that.

Sen. The Hon. F. Karim: Yes, I should know that, and I want to tell you—

Sen. Cudjoe: [*Inaudible*]

Sen. The Hon. F. Karim:—I am very disappointed. I want to tell you, I am going to prove to you—[*Interruption*]

Sen. Al-Rawi: Shamfa, easy on him “nah.” He is trying his best.

Sen. The Hon. F. Karim: It is not about Ashworth, it is about my friend. I want to say how I am disappointed. You know why, I am holding here the contribution of one of your colleagues in the other place and it is almost a regurgitation of what that person said.

Sen. Al-Rawi: Great.

Sen. The Hon. F. Karim: Almost a parroting. You know we call parrot “cocotte” in this country. “Anything you tell cocotte, cocotte does say”—but almost, a parroting and I want to say, unfortunately, deceptive accounting. You know, I want to say as a former teacher, a student at the age of 13 in a secondary school using *Principles of Accounts* written by Frank Wood, writing the CXC exam, would have known better than saying what you just said about these accounts. I will prove that now. [*Desk thumping*]

Let me just say, before I go into proving that, let me just read with your permission, Mr. President, some of regurgitation I am talking about.

Hon. Senator: “Faz, yuh get vex, boy!”

Sen. Deyalsingh: The van pulling up, 35(3) “eh”

Sen. The Hon. F. Karim: No, I am on target. I am on target. Let me just indicate. I just want to give you two lines. I am quoting from *Hansard*.

“The subsidy for Mount Hope students gone from \$44 million to \$29 million; a chop of \$15 million;—YTEPP cut, NESC cut, NTA cut.

Mr. President, I just, before I go to prove and disprove what was said, I just want to repeat what the hon. Minister of Finance and the Economy said. I want to read from what he said earlier on today, in case some of the persons who are contributing on the other side were not here, they were in the tea room. He said:

“In discussing the Bill, I want to emphasize that this is not a request for new money...but simply a request for the closing of the accounts with approval being requested, as is the norm, for transfers effected in 2012.”

Mr. President, I also wish to read verbatim from his contribution, Sen. The Hon. Larry Howai from page 4, of what I asked him to send for me. He says:

“...it is necessary to have a variation of the appropriation in the sum of”—\$2 billion—“for the 2012 fiscal year to realign the provisions in the fiscal accounts in accordance with the new assignment of responsibilities to Ministers, and the creation of new Ministries...”

—since the hon. Senators will no doubt recall the hon. Prime Minister expanded her Cabinet and created new Ministries in June 2012.

Mr. President, he continues:

“These new Ministries had to be assigned budgets to cover their operations for the remainder of the year.”

Mr. President, it goes on again:

“As a consequence, there were reductions in Ministries from which portfolios were transferred and increases to reflect these transfers in the new Ministries.”

Mr. President, in case our friends were not aware:

“These transfers were effected by the *Trinidad and Tobago Gazette* Nos.76, 78, 120 and 126, Volume 51, dated April 12, April 19, July 06 and July 19 of 2012 respectively.”

Having read this into the record, let me tell you what my honourable friend next door started to do. They went into this book: Schedule relating to Supplementation Variation of Estimates 2012 and they started to read. In fact, the pages that she quoted are from page 28 until page 46.

Sen. Cudjoe: Page 33.

Sen. The Hon. F. Karim: Even if you say 33, I will go to 33. What you were seeing there is that they had some headings and under the right side column, you had decrease. She was reading into that, for each of those areas, decrease.

So let me give you an example, she said the National Training Agency on page 34—since you said page 34, and under Sub Item 20: National Training Agency, you had a provision in the estimates of \$41 million. You then read into that revised provision 2012, \$22.8 million. Then you went across the column on the extreme right and you found a deficit or a decrease of \$18.1 million. What you did not do and what you should have done is, you should have gone on to the other pages in the book. If you go to pages 117—131, you should read those pages too and you will see where the National Training Agency got an increase for the exact amount. You will see, as well, subsidies to Mount Hope students had an increase of \$15.2 million.

Let me read for you and let me refer you to page 122, my dear colleague. On that page 122, under Sub Item: 20, National Training Agency, you go around to the two columns on the right side, and you will see Revised Provision 2012, and you will see a column marked “Increase.” The increase is the exact figure you would have quoted as a decrease, and that is \$18,193,000.

Mr. President, this is deliberate, deceptive accounting. [*Desk thumping*] That is the history of my friends who are on the other side talking about elections. I want to tell you as well that under the People’s Partnership there has been no decrease and no diminishing of any youth programmes. To the contrary, there has been increase and expansion of the youth programmes. [*Desk thumping*] I will prove that to you. I will start with Tobago.

8.00 p.m.

Anytime you drive from the ANR. Robinson International Airport, which we named for “ah we boy”, and you go to Scarborough, on the right side you cannot help but look in amazement at the most wonderful YTEPP/MIC Technology Centre. [*Desk thumping*] I will deal with a couple more.

Miss Cudjoe: Created by the PNM.

Sen. The Hon. F. Karim: Created, but never completed. Promises never materialized; that is what it means. PNM: promises never materialized.

You spoke about the UTT, you spoke about the integrated campus, and I want to tell you when we came into Government there was one line item—and I remember specifically that was at the first Cabinet meeting at Coco Reef in Tobago—and the one line item was UTT, \$90 million.

We discussed it as a Cabinet and there was a recommendation that: why do we not have an expansion of the tertiary sector in Tobago? A small island, 116 square miles, 56,000 people, and why do we not build the capacity in Tobago? Why do we not have articulation from institution to institution? Why can you not move from community college to university? Why can you not have collaboration and cooperation as opposed to competition for student body? The recommendation was accepted that we should have an integrated campus comprising COSTAATT, the University of the West Indies and the University of Trinidad and Tobago. Our only national university, UTT, is on the ascendancy, quite contrary to what you may think.

I want to tell you, Mr. President, that for the first time in the history of Tobago, we have opened classes for UTT in Tobago under this Government. [*Desk thumping*] Previous to now, students—and my friend is talking about students and where the students are. We have 53 students who are enrolled in the bachelors in education programme. There is a second cohort and we were using the shared facilities in Canaan with MIC/YTEPP Technology Centre. We thought it is important that we improve, that we develop, that we move to the next stage of progress, and we can now say that we have opened UTT's own campus which we call the Education Campus in the heart of Scarborough, Tobago; [*Desk thumping*] and we are going to be moving, again, further east, likewise people in Tobago. [*Laughter*]

We are going to be going east, again, to the people, to build their capacity of knowledge and, therefore, we are going to be moving to that integrated campus. We give the commitment that lands are going to be identified and we are going to construct the integrated campus, [*Desk thumping*] just like we are constructing the Penal/Debe campus. I will give you an idea as to how we are expanding.

You know, when we talk about budget cuts, I want to just talk a little bit about—you talk about budget cuts. I want to tell you that in terms of budgetary allocations for education and training, in the last budget presentation I indicated that expenditure on education and training increased under the People's

Partnership Government as follows over the period 2010—2012: in 2010, \$8.3 billion, 16.99 per cent; in 2011, \$8.7 billion, increased; and in 2012, the highest we have ever had in this country in education and training, \$9.1 billion, representing 15.67 per cent of the total national budget of \$58.4 billion.

I really thought it was only about Principles of Accounts. It looks like there is a problem with mathematics. There seems to be a problem with the three Rs, but we will help. As my colleague who went to Presentation College, San Fernando, will know, that is one of the schools that gave us the foundation in terms of the three Rs. *[Interruption]*

Sen. Deyalsingh: It is a decent school.

Sen. The Hon. F. Karim: It is a decent school, yes. And my other colleague there, we can boast that any student who would have done O level accounting would have known better than to come to this Senate and talk about deceptive accounting. We do not teach deceptive accounting at Presentation College. We teach CXC accounting and A level accounting.

Sen. Deyalsingh: *[Inaudible]* was deceptive accounting

Sen. The Hon. F. Karim: “Dah is yuh neighbour. You could talk to he, eh.” *[Laughter]* Mr. President, I want to also tell you that my friend spoke about decrease. Again, I think there is a little problem here in terms of this understanding, you know. “Is ah bad thing to parrotize other people’s speech.” *[Interruption]*

Hon. Senator: “Cocottize.”

Sen. The Hon. F. Karim: “Well, I not saying cocottize. I say that ah ready.” I want to give you the figures, Mr. President. Under the Public Sector Investment Programme, the PSIP—which we use for constructing educational and training facilities—this Government moved from \$31 million in 2010 to \$38 million in 2011, to a high of \$53 million in 2012. For the first time in the history of this country, \$156 million allocation in 2013. “Where yuh getting that word decrease from? Ah mean ah know we did some economics and so on, and we have Sen. Dr. Balgobin here who would have taught at higher education levels, but even if you did the degree of marginal utility and diminishing returns, you must know that is not the same ting. Oh Lord! And therefore ah want to tell you, you talk about decrease and, again, I want to also tell you about how it is not decrease.”

Sen. Deyalsingh: From 12 to zero.

Sen. The Hon. F. Karim: Let us go back, again—“ah giving you de figures, Mr. President.” I want to give you institutions, I want to give you 2011, I want to give you 2012, and I want to ask whether “is increase or ah decrease”. The basic mathematics, 101. UTT in 2011 received \$403 million; in 2012, UTT received \$419 million. “To me, if we do the maths and if we know the maths and you do basic arithmetic and calculus, dah is ah \$16 million increase.”

Mr. President, in 2011, COSTAATT was allocated \$100 million; in 2012, \$114 million. “Dat cyar be ah decrease. Da’is ah increase.” TTHTI, \$11 million in 2011, \$12 million in 2012. “As small as the calculation is, is still ah increase ah one million. It ent ha nutten. Is ah decrease dere.” YTEPP—you spoke about YTEPP and I just want to tell you, and I want to tell my colleagues here, YTEPP was not started under any of your administrations. YTEPP started—[*Interruption*] I just want to correct that.

Sen. Cudjoe: I never said that.

Sen. The Hon. F. Karim: I will give you the history of YTEPP. YTEPP stated under the NAR, when Dr. Tewarie was in it. It started in 1987 and then it became full-fledged in 1988. Mr. President, there is no decrease in YTEPP. As a matter of fact, the YTEPP programme started when Dr. Bernard subsequently took over in the School of Continuing Studies. It was at the time of the Extra Mural Studies Unit under Esmond Ramesar.

Sen. George: “Gi dem de history, man!”

Sen. The Hon. F. Karim: “and ah want to tell yuh, YTEPP is ah success story that will celebrate 25 years in Trinidad and Tobago in 2013.” [*Desk thumping*]

Sen. George: “History lessons, man! History lessons!”

Sen. The Hon. F. Karim: So, YTEPP in 2011,—you could sit and take notes—got \$82 million. In 2012, YTEPP got \$94 million. “Dat eh no decrease.” Basic mathematics! We used to do that in Standard 1 and in infants department. [*Laughter*]

MIC, \$17 million in 2011; in 2012, \$22 million. “Dat too is ah increase. When we used to carry we lil tin pan with orange juice, we used do shop and shopping, you had to add and minus since dem days. Dat ent no decrease. Dah is ah increase.” Therefore, I want tell you, Mr. President, the total of these institutions I am calling, many of which my colleague made reference to, moved from \$613 million in 2011 to \$661 million in 2012, with an arithmetic increase of \$48 million in Trinidad and Tobago. [*Desk thumping*]

“I really cyar understand. As ah say ah didn’t really want to say nutten this evening.”

Sen. George: “I like the vernacular, ah really didn’t want to say nutten this evening.”

Sen. The Hon. F. Karim: “You see yuh ha to be careful and you must tell your colleagues in the other place, doh allow all yuh to come here and parrotize anything. Yuh will get into trouble.” As a matter of fact—and “cocottize, permit that part of the vernacular—leh me just say”, reference was made to other training programmes.

I want to give you the figures, again, for 2011 and 2012. The MuST Programme—the Multi-Sector Skills Training Programme—in 2011, \$26 million; in 2012, \$45 million, an increase of \$19 million. The OJT Programme—reference was made about the OJT Programme by our colleague, Sen. Corrine Baptiste-Mc Knight—\$201 million in 2011; in 2012, \$202 million, one million increase. The GATE Programme—let me just say for my friends on the other side, GATE means Government Assistance for Tuition Expenses. “Ah saying it slowly.” It never was Government Assistance for Tertiary Education. “So when your colleagues bringing a Motion for we to debate in the highest court here of de land, make sure yuh say de right ting.” This is GATE, Government Assistance for Tuition Expenses and, in 2011 it was a figure of \$625 million and in 2012, \$758 million. “Dat” sounds like any decrease? One hundred and thirty-three million dollars increase and our friend had the opportunity not only to access GATE, but also to access the HELP programme—the HELP loan—and that too had an increase.

Mr. President, I just want to deal a little bit now with some of the programmes that my friend spoke about. She spoke about the Penal/Debe campus. We have distinguished attorneys in our midst here, one of whom is my friend, my former alma mater and, therefore, we are saying—and if you look at what is happening with the law faculty, we have expanded the law faculty on the St. Augustine campus. We have also expanded the Hugh Wooding Law School, we are now expanding—the first faculty we are going to be building on, the Penal/Debe campus—142 acres of land, will be the faculty of law that will have a number of significant buildings. And, as we speak, construction continues and we expect at the end of this year to have our first building, our students’ dormitory and then thereafter, classrooms.

We propose to have classes in there by 2014. This is not an election gimmick. This is a commitment and a promise. Yes, you are absolutely right, \$499.5 million has been allocated, \$47 million already distributed to that project and that project

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continues. [*Desk thumping*] I want to tell you how nice it will be to go to that campus. You will be able to move from Port of Spain to that facility in half an hour and you might be able to move from Point Fortin to that facility in Penal/Debe in 15 minutes because of the Point Fortin highway. [*Desk thumping*]

Mr. President, I had the good fortune when I was business development manager at UWI, before I came to this position, to oversee the transfer of lands that had been taken for many years from the University of the West Indies for a good cause, to build the Eric Williams Medical Sciences Complex. The Government of the day, at that time, took 210 acres of land from UWI's field station—that used to be part of UWI's field station—[*Interruption*]

Hon. Senator: That is right.

Sen. The Hon. F. Karim:—and transfer those lands to Orange Grove, we got in return 200 acres of land. We lost 10, but I will tell you something. When you drive from Piarco International Airport and you are approaching the Trincity Mall, everything on the left from where that WASA station is there and going westwards until you reach Pan Trinbago, everything there and that wire you see and one mile deep inside is allocated to the University of West Indies for the education city of the future. That is what we are looking at. Not contraction, the expansion. We are into that mode. [*Desk thumping*]

8.15 p.m.

As we talk about expansion, many of you would know about the Faculty of National Sciences, Dr. Tewarie, a former principal. I want to tell you that our very distinguished colleague, Dr. Tewarie, has left his mark on the University of the West Indies; look around and you will see the kind of expansive buildings. Today, the University of the West Indies that was originally built to have a population of 7,000 now has a student population of 19,000, faculty of 3,000; 22,000 people on that campus. [*Desk thumping*] “Dat cyah be.” I mean, I want to say how another person who sits here: “How yuh go say dat? Yuh cyar say dat. Dah is not decrease, dah is increase. How yuh go say dat?” It is somebody from “in” south. But I want to also say—“I eh saying whether dey from the east or de west of south, but dey from south. How yuh go say?” You know, I want to tell you as well, we have now expanded and we have focus. Minister Devant Maharaj; for the first time, we have a Faculty of Food Production; for the first time, we have a Faculty of Science and Technology; we are expanding.

I want to also talk about—my friend, Sen. Cudjoe spoke about the El Dorado Nurses Training Academy. Mr. President, you will be surprised to know what I am going to tell you and this Senate today. When we came into Government—at the

time it was my Cabinet colleague, Minister Anil Roberts, Minister of Sport and Youth Affairs—and you know, when I asked him about that El Dorado Girls' Youth Camp: a facility that housed a 200-bedroom facility; 200 beds could have fit in that. In fact, I saw the beds and when I asked him, I said, “Well, who sleep here? He said, “Protective services sleep here.” I said, “What class do you have here?” “The director and the camp—we have ah staff, yuh know, at that facility—ah full staff running ah youth camp; one class.” Do you know what the class is? “Ah music class of eight people from the community.” So you have expansive campus facilities and I said to him—at the time, we were talking about the shortage of nurses in Trinidad that numbers around, 3,000 people short in the health facilities. I asked my colleague, Minister Roberts, I said, “Would you transfer this facility to me?”; at the time, Ministry of Science, Technology and Tertiary Education, and he said, “Yes”. I want to, today, publicly congratulate Minister Anil Roberts. [*Desk thumping*]

I also want to pay tribute to my Cabinet colleague, Sen. Marlene Coudray, who continues to support what we are doing. “Yuh know, is ah simple ting we doing, yuh know.” You talked about energy. When you read Ivan Waterman and you do Principles of Business, maybe the second chapter, the first page on the left side—[*Laughter and desk thumping*]

Hon. Senator: [*Inaudible*] pressure today, you know.

Sen. The Hon. F. Karim:—you will see that they talk about the definition of renewable and non-renewable resources.

Hon. Senator: That is the school teaching in him coming out.

Sen. The Hon. F. Karim: So energy is a non-renewable resource—oil and gas—but you know, building the brainpower will be a renewable. “Dey use to tell us bout forest an ting, but the brainpower is ah renewable resource.” It transfers knowledge from person to person. See what happens. Therefore, my philosophy in this Ministry is not BP only, it is “BTB”: B-Building, T-The, B-Brains—Building the Brains.

Look and see what Singapore has done; a little bigger than Tobago. When I studied in Singapore in 1997, they had a population of three million. Singapore now, with the same land space—“God eh give dem no square mile or geh an increase. Dem eh geh no increase but dey eh geh no decrease either.” [*Laughter*] Six point five million people, 1.5 million are expatriates and “yuh know what? If yuh good, dey take yuh. Say what you want bout Lee Kuan Yew. Say what you want! Is a society based on discipline.”

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Therefore, Mr. President, I say that in the context of how we are moving with the Nurses Training Academy. Therefore, we are about to open the Nurses Training Academy and “yuh know what?” It is a joint project with the University of the West Indies and COSTAATT, and when that opens, you will see a campus within the context of what the People’s Partnership’s manifesto has said, it is the education city at St. Augustine. [*Desk thumping*] “Dat cyar be decrease; dat ha to be increase.”

“If yuh moving ah education city from Macoya in the east to Lok Jack in the west, to the Caroni river—“I never say Calcutta eh, ah say de Caroni River, we eh gone so far down Couva”—in the south and the foothills of the northern range, do you know what that means in terms of Trinidad and Tobago? So we will be creating—like Minister Tewarie has been talking about—growth poles. So, why we cannot have more than one education city? Why we cannot have an education city in Tobago as we have in St. Augustine and as we are developing in Penal/Debe? What is wrong with that? “Dat cyah be decrease, dah is expansion. [*Desk thumping*] How yuh go say dat? Yuh cyah say dat.” [*Laughter*]

Sen. George: “How yuh go say dat?”

Sen. The Hon. F. Karim: Therefore, I want to say, Mr. President, my distinguished colleague, Sen. Dr. Balgobin, made a very important point. We continue to face the mismatch of education and training and the workforce, but that is not something that is a phenomena only for Trinidad, that is the world over, because institutions continue to train, and unless you do not have informed, accurate, real time, up-to-date labour market information, you are going to engage in a process where education and training are supply-driven rather than demand-led.

When you get to the stage where education and training are demand-led, you will decrease the gap—the skills gap. Therefore, what we have done—and we are going to be opening that facility again within a month’s time—for the first time in the history of this country under this Ministry of Tertiary Education and Skills Training, we will be opening a centre for workforce, research and development on the St. Augustine campus of UWI. That will be done in collaboration with the Ministry of Planning and Sustainable Development, the CSO, the Ministry of Labour, Small and Micro Enterprise Development, the National Labour Market Council, the National Training Agency, which co-ordinates all TVET in the country, and the Georgetown University Center on Education and the Workforce. We have signed that agreement; world famous. [*Desk thumping*] “Dat cyah be decrease, dat ha to be expansion.”

Therefore, how do we expand? For the first time in this country as well—and I want to agree with Sen. Al-Rawi—we are delivering on the promises that we have made. You look at the landscape of this country, you will see two state-of-the-art Jobs and Career Coaches, mobile units built in China, branded in Trinidad and Tobago. Every possible training programme you could want to find out is on that bus. That bus will roll into every community whether “yuh is PNM, UNC or anything, we not discriminating”. We are a Government that does not discriminate. [*Desk thumping*] This is education for everyone.

I want to tell you something. There are many people—my friends will know as attorneys—who will come to your office and they do not know; they want to ask you to help them write a letter of application for a job. But worse than that, when you ask them about a CV, they do not know what that is. They do not know what a résumé is. They do not know how to start writing that. I am talking about people who exit the secondary school, some of them still cannot write a résumé. I am sure Dr. Bernard will tell you when he went and do his research. The Jobs and Career Coach will help you with that. We have professional guidance officers on this bus, who will help to advise you. That is one of the problems that we have in expenditure in education, “yuh know”, Mr. President.

When people go to universities and they do not get their choice, they do a degree because everybody wants to do a degree. Do you know what we are finding out in the world of education and training and knowledge? People are repeating undergraduate degrees because that is not what they wanted to do in the first place, but they just wanted to go to university. You take the experience of people who are going to school and moving from one school to the next, and I challenge you to ask the question. In the days of the junior secondary school that the PNM created and then you have the senior comp, when the students are going to register at the senior comp, take a random question of some of the students and ask them: Why do you want to do business studies? Why do you want to do Principles of Accounts? Why do you want to do Principles of Business? “Sir, my friend is doing it.” We are influenced as well by what our friends do, and they are going to A levels.

In the school that we went to—Dr. Balgobin and I and Mr. Al-Rawi—the school chose you—what you want to do, you did not have a choice, based on your marks. The Brothers will tell you, “yuh goin either into languages, modern studies, science or mathematics”, end of story. You go and become what you want to become, “buh you eh changing”. Now, people are changing careers 10, 15, 20 times in their lifetime. This is not about entering the public service and going

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through life and retiring. It is different! Therefore, these programmes are meant to do that. These programmes must be relevant, they must be responsive and they must be accountable in terms of the investment of the taxpayers' dollar. That is what we are talking about; not about cutting programmes.

As you talk about cutting programmes, let me deal with one of the programmes that you cut. There was absolutely no reason for you to close down, under the PNM, the NESC Debe Technology Centre. [*Desk thumping*] Why did you do that? You closed down a centre, you disenfranchised people, and you are talking about disenfranchising GATE! I want to tell you categorically as Minister, I give you the commitment, and under the Prime Minister, Mrs. Kamla Persad-Bissessar, and the Cabinet of this country and the Government of the people's Republic of Trinidad and Tobago, we will not disenfranchise anybody through the GATE programme. [*Desk thumping*] I want to tell you—go and get the copy of the manifesto—the manifesto says in the 120-day action plan, item No. 2: we will secure the GATE programme and expand it, and it has expanded for the first time to technical and vocational education and training. “Dat is what we talking about.” [*Desk thumping*] “Dat is not decrease; dat is increase. How yuh go say dat?”

Do you know what they did? You took the Debe Technology Centre and you sent them to Usine Ste. Madeleine. But I want to tell you, I give you the assurance that I will reopen the Debe campus of the NESC and that will happen within next 30 days. [*Desk thumping*] All that I am waiting on now is a date. I will tell you the two classes that we are going to hold there. We are going to hold “autotronics” and we are going to hold ICT classes, and that facility will be a day and night facility. You cannot intend and you cannot expect to increase the participation rate—Prof. Ramkissoon will tell you, he is a very distinguished scholar. Dr. Bernard has done a lot of research. You cannot expect to increase the participation rate—oh, you went to “Pres” too [*Laughter*] Dr. Tewarie will confirm—in the tertiary sector only by mortar and bricks and face-to-face classroom.

Listen, read about Salman Khan in the Khan Academy; 3,400 videos that started with him. He might have done well in this Senate, “eh”, because he started by helping his niece with some basic mathematics problem. [*Laughter*] So what I will do with Salman Khan, I will ask Salman Khan to make available, Mr. President, for those of my colleagues who would like to improve their mathematics and accounting skills—and not engage in deceptive accounting—a video from salmankhan.—in fact, you could go and sign up. I want to give you the website: khanacademy.org. Go, get it and learn it so that we are not—if you

look at Udacity as well, you look at MIT, you look at Harvard, “dis is what we talking bout”. Right now, Mr. President, this Government is on to a trajectory of approximately 47 per cent participation rate in the tertiary sector, and by 2015, we will meet and possibly extend and increase to 60 per cent. [*Desk thumping*] “How dah go be ah decrease? Dah is ah increase.”

Mr. President, I want to tell you as well that we are expanding the University of the West Indies, Faculty of Medical Sciences. For the first time, we are expanding the dentistry programme. For the first time, we have a student building—a students’ union building on the campus at Mount Hope. For the first time, we have started, under this Government, the distance training mode from the San Fernando General Hospital, a dilapidated doctors’ quarters, where we are teaching live from Mount Hope to San Fernando, and we are going to be teaching live—we are going to connect Tobago. Every hospital—this Cabinet, under Mrs. Kamla Persad-Bissessar, has agreed that at any new hospital that we are constructing will have a teaching arm, a teaching facility. “I doh have nothing against any Caricom country”; we love our Caricom brothers and sisters. We do well with them. We excel in cricket; “we beat dem sometimes”— [*Interruption*]

Hon. Senator: Most times.

Sen. The Hon. F. Karim:—or most times. [*Laughter*] But I, as Minister—there are many benefits in keeping our taxpayers’ dollar on our children, our boys and girls, here in Trinidad to study. Therefore, rather than spend \$42.5 million annually to send them to a medical school elsewhere, why cannot I use that money and build capacity and keep them at home? Why not? [*Desk thumping*]

8.30 p.m.

“Wat is wrong with dat? Dat cyar be ah decrease. Dat hah to be ah decrease. How yuh go say dat?”

Hon. Senator: Increase.

Sen. The Hon. F. Karim: Increase, sorry. It is an increase. Therefore, I just want to give you one or two other things. Let me just say as well, the Open Campus, Dr. Bernard will recall, many years ago he invited me to give the feature address, at the time it was called the School of Continuing Studies. At that time, I announced that we were giving the Open Campus five acres of land to build a central university campus north of the Divali Nagar site.

Mr. President, and my dear colleagues, I wish to advise that under this Government, the Open Campus of the University of the West Indies—the fourth campus of UWI. So, you have Mona, Cave Hill and St. Augustine. The Open

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Campus is the non-campus territories including Trinidad on the underserved communities. For the first time, they have received 10 acres of prime property north of the Divali Nagar to construct their state-of-the-art central university campus; “we expanding.”

For the first time as well, 30 acres of land—COSTAATT—you cannot expand in Port of Spain. “Yuh cyar decrease, buh yuh cyar increase.” We are paying \$1 million a month in rent for COSTAATT on Melville Lane. For the first time COSTAATT will have its own campus in central Trinidad on 30 acres of land. [*Desk thumping*]

I want to also tell you that YTEPP, the National Training Agency, the Accreditation Council of Trinidad and Tobago, the National Commission for Higher Education, and the first Ministry to move out of Port of Spain into central Trinidad will be the Ministry of Tertiary Education and Skills Training. [*Desk thumping*]

Hon. Minister: “Yeah.”

Sen. The Hon. F. Karim: “We are not talking ole talk. Performance beat ole talk all de time.” [*Desk thumping*] Therefore, we are talking about debottlenecking Port of Spain; decentralization. “Well, we going to show where de decentralization is.”

Mr. President, we talk about UTT. I heard somebody from my colleague’s side talk about we want to dismantle UTT, nothing could be further from the truth. You look at any UTT facility, look at the John S. Donaldson Technical Institute; [*Desk thumping*] look at that. Look how we have rebranded that into the Creativity Campus. When I became Minister and I went down there, “ah say listen, dis place looking like ah place on Frederick Street, is only wall. Why we doh break down ah lil bit ah de wall, make de ting look inviting and friendly and so on? You go there, you cannot escape looking left when yuh going west. [*Desk thumping*] Yuh cannot escape dat.”

Hon Senator: “Yeah.”

Sen. George: “Even if yuh driving ah Porsche going west, yuh looking.” [*Laughter*]

Sen. The Hon. F. Karim: Okay. Mr. President, when you look at Valsayn Teachers College, “dat” is our Education Campus. The Point Lisas UTT Campus is now redesignated as the Energy Campus of UTT. The San Fernando Technical Institute is now redesignated, the Manufacturing Campus of UTT. The Corinth

Teachers College, the Education Campus of UTT. UTT is in expansion mode. As a matter of fact, right now as we speak, we are increasing and expanding the suite of courses and the physical infrastructure at UTT's Maritime Campus in Chaguaramas. Why are we doing "dat?" [*Desk thumping*] "Why are we doing dat? Well, is not only we alone expanding."

The Panama Canal is now constructing their new canal at US \$5.2 billion. "Wah we mus do, sit down an wait? No man, we cyar wait. By de time dat canal finish we must be prepared with our manpower, our skilled personnel to take those jobs and to service those big tankers—Panamax they are called. So, I doh understand about cutting programmes. I understand about expanding programmes. I understand that when I came into this Ministry, we had only four OJT offices. Mr. President, Senators, we now have 13 OJT offices scattered throughout Trinidad and Tobago. [*Desk thumping*] Why we doin dat?" We are bringing programmes and services nearer to our people, our people meaning the people of Trinidad and Tobago.

Sen. Prescott SC: "Toco want one."

Sen. The Hon. F. Karim: "Toco want one, right. The closest one we have there is Sangre Grande, and we will consider Toco, "nothing wrong with dat," as we indeed considered Point Fortin and we will consider Cedros too. We will consider everywhere there is a need. "Yuh cannot expect to say you are fulfilling people's need and yuh doh listen to dem if yuh doh go by dem. How yuh expect to hear dem, if yuh eh goin by dem? How yuh go do dat? Yuh cyar do dat. Yuh eh goin and yuh eh listening?"

Mr. President, I want to tell you as well, when you go to San Fernando and you drive on Lady Hailes Avenue, you will see the investment of the taxpayer dollar in the South Academy for the Performing Arts. Within that facility you have 10 equipped classrooms of the University of Trinidad and Tobago. You will see the sign "UTT Campus". We are going to be increasing programmes there in the performing arts. So, it would not only be the Naparima Bowl.

Let me just say for the persons in south, since my friend is from south, and for my other colleagues. Nobody ever said that we were going to close down Naparima Bowl, and have classes there for nurses. Wherever we have facilities we are going to have classes because this is about building the brainpower of this country.

Mr. President, as well I want to tell you that you will soon be seeing UTT in another mode; UTT. Caribbean Airlines was spoken about here this evening—UTT, Caribbean Airlines, the Civil Aviation Authority and the National Helicopter Services Limited, all of those are going to be involved in the Aviation Institute that we will launch soon. [*Desk thumping*]

Mr. President: Hon. Senators, the speaking time of the hon. Senator has expired. Before Sen. Al-Rawi wants to put a Motion to us, I wanted to inform you that there is dinner available, and if you want to file out and allow us to keep a quorum, you may do so from this point onwards. Sen. Al-Rawi.

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. F. Al-Rawi*]

Question put and agreed to.

Sen. The Hon. F. Karim: [*Desk thumping*] Thank you very much, Mr. President. Thank you very much to my colleague, Sen. Al-Rawi, and to all Senators in the Senate. You know, as I spoke just now about the OJT and Sen. Prescott indicated Toco, I want to tell you as well, that we are going to be opening again very soon, the formal opening of the COSTAATT, Sangre Grande facility; that campus is going to be opened. [*Desk thumping*] That will serve people from Toco, Sangre Grande and Arima—that facility you would be able to commute by any bus in terms of Biche, Coalmine right down to Rio Claro and Cumuto; and we are expanding.

Let me also say, as I am talking about the expansion, I have asked the University of Trinidad and Tobago to lead a project that is close to my heart, it is called Learn TT. Learn TT for me is what I would describe as the national knowledge network. Why can we not have programmes on television? We talk about this. You know up to now when I am home now, sometimes not alone, and I am turned on to Channel 4, I see this guy with “ah duster an ah chalk” doing algebra, simultaneous equations. [*Laughter*] I sit and look at it if only for nostalgia because I remember three books we used to use: Walker and Miller, *A First Course in Arithmetic*; Walker and Miller, *A First Course in Algebra*; Walker and Miller, *A First Course in Geometry*. Why can we not have teaching programmes through the television?

We talk about the Open University in London. Now we are talking about distance mode and “we saying all kind ah ting and you know de terminology nice, yuh know.”

Today I was giving a feature address at the Caribbean Professional Personnel Programme for student services and I said to them, “When yuh listen to us talk” and you listen to the academics talk, listen to how they sound sometimes: “Ladies and gentlemen, we must create and infuse a culture of creativity and innovation.” “It does sound real good. Dey does do it on de campus too. When you ask people, where is this? How would you develop this culture? Where is de enabling

environment? Dey write all kind ah papers. Ah lot ah dem on de fourth floor in de JFK; ah lot of it is not applied research, it is institutional research; research which yuh create new knowledge entirely or yuh take existing knowledge and yuh create new ones.”

But I will tell you something, you know what is lamentable? I will tell you something. This Government and the taxpayers financed the University of the West Indies—\$43.8 million in research money. That might sound small in a country and I know Sen. Prof. Ramkisson spoke about this in his budget contribution, where we are spending less than 1 per cent of GDP on research. I ask you the question, how many people know about the research that these universities do? Who is influencing the research agenda? Therefore, I intend to start what I call HERA, the Higher Education Research Agenda. “Yuh taking taxpayers’ money, come and tell de country what research yuh did. [*Desk thumping*] Come and tell dem. Doh only tell meh yuh hah outreach programme. Doh only come an tell meh we doin dis for public interest.” No. No. No. No. No. No. We must come and listen, or we would listen to it on the television, and we must influence the policy decisions of research. When we give you money it must be in alignment with the economic development strategy of the country or else it would simply be a research sitting somewhere.

Hon. Senator: Irrelevant.

Sen. The Hon. F. Karim: Therefore, we “cyar” only talk as Sen. Dr. Balgobin spoke about mismatch in terms of skills, mismatch in terms of knowledge creation. What are you creating it for? “Is it increasing de value of life; de quality of life; de happiness of de people; de prosperity of de people?”

See what Singapore did. I went to Singapore recently, about a year ago. I went back to my business school, the National University of Singapore and I met my professor, Prof. Kulwant Singh. I said to him, “You know Professor it is so nice”—he said, “Nah, nah, nah doh call me Professor, call me Kulwant. Ah say well den doh call me Minister.” He said, “Okay, Faz,” so he called me Faz.

So, he said, “What do you want to drink?” I just landed from London. “So, ah said, “Well, gih me some water. He brought some bottles ah water. So, I am looking at de water, and he says to me: Faz, yuh not drinking de water? Ah say Professor, he say ah tell yuh doh call me Professor. Ah say all right Kulwant, I seeing UWI on dah bottle. He say UWI? Yuh ha jet lag? Yuh now come from London, I give you water in Singapore and you seeing UWI on de bottle? He say now explain dat to me nah. Ah say well, I am seeing your bottle mark NUS, Asia’s Global Business School, on de bottle ah water. He ask me well, how ah seeing UWI? Ah well, leh meh tell yuh how ah seeing UWI.”

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“UWI has 19,000 students and 3,000 faculties. If we sell 1,000 bottles of water to UWI faculties and de students at 10 cent profit for 10 years, do de maths! Yuh might hah to go back to primary school to do dat maths. [*Laughter*] But, do de maths! I came back here and I brought the idea to the university. He says Faz well, if yuh tink de water good, well, hold dis nah. He brought out some candies; sweets with NUS, Asia’s Global Business School. We ask ourselves—yuh know something about Trinidad and Tobago and some of us, we brighter dan everybody else yuh know until, of course, we travel and we see wah happening outside.”

“I give you that, Mr. President, and Senators to tell you, sometimes people have ah dream, ah mean dey literally and physically had ah dream last night. Dey might dream formulas. It hah people who does dream formulas. People might dream what ah machine might look like.” Where do they go?

“I spoke to a very distinguished academic recently, major person in de Caribbean, at a major Caribbean institution. After he started to talk about innovation and creativity, I said to him, yuh know Professor I would like to write a book with you. He say write ah book with me? Ah say, yes. Ah said based on what you just told me. He said well, what is dat book? Ah said it is going to be called, *Creativity and Innovation—From Rhetoric to Reality*; from talk to action.” The time has come for us to act in this country. [*Continuous desk thumping*] Stop only talking about global competitiveness and competitiveness. “We fed up hear bout dat. How yuh going to acquire competitiveness, by talk, by writing ah paper?”

“There was ah colleague of ours many years ago. He was asked why do you not grow more corn? We are importing plenty corn. Minister Ganga Singh laughing, he know who it is. [*Laughter*] He was asked, “Why do you not grow more corn?” His response was, “We doing ah paper on dat.” [*Laughter*] Everything is ah paper in dis country. Everything is ah dialogue.” Let us move from talk to action. The time has come for us to move all of these training programmes into action.

I want to also tell you for the first time in the history of this country, the National Energy Skills Centre in collaboration with the Ministry of Energy and Energy Affairs will start its own drilling school; never happened before. [*Desk thumping*] “We going upstream. If yuh going upstream”—[*Interruption*]

Hon. Senator: Salmon!

Sen. The Hon. F. Karim:—“dat cyar be ah decrease. Dat hah to be ah increase. How yuh go say dat? Yuh cyar say dat; we expanding.” I want to also tell you “dat we not discriminating. We going to be opening de academy and de enterprise in Diego Martin too”, as we have opened the OJT office in Point Fortin. “Dis doh hah nothing to do with PNM, UNC and TOP, this has to do with the people of Trinidad and Tobago. [*Desk thumping*]

8.45 p.m.

We talk about the Accreditation Council of Trinidad and Tobago. You expect, as a Government and as a Ministry, we must allow people to fly in here, put on programmes and fly back out and smile to the bank? No, no, no. Mr. President, we have to seek the interest of our citizens. We must make sure that the integrity of the programmes is such that, not only are they marketable, but they have articulation and they are internationally benchmarked such as we would have done with the CVQ. Trinidad and Tobago is the first country, under my watch as the former CEO of the National Training Agency, to have launched that very important qualification called the Caribbean Vocational Qualification. Never before! [*Desk thumping*] Talking about the CVQ, I want to tell you about expansion as well. We are, for the first time as well, talking about credential in the workforce.

Mr. President, many of our people—you know people who come by your house and do plumbing and carpentry and masonry—do not have any certification, no credentials and why is the person who is a mason’s assistant today—what prevents that person from giving the valedictory speech with First Class Honours in Civil Engineering at UWI or UTT? What is wrong with that?

But you know what is happening? Where is the opportunity? Where are you providing them? Therefore, what we have done is that we have created a very innovative concept in this part of the world called the Workforce Assessment Centres. Nowhere else in the Caribbean has that; nowhere else!

Let me tell you what it is based on. It is based on a system called PLAR, Prior Learning Assessment and Recognition, also called PLA, Prior Learning Assessment, also called APL, Accreditation of Prior Learning. And you know what that simply is? We develop a qualification, for example masonry, level one. We have the competencies, that is the standard. Industries sit and develop that standard. So they will say, a mason at level one, what are the competencies he must perform against. What prevents that “fella” with the bucket and the trowel and the float and the spirit level from riding into one of our centres and saying, “Assess me”, and we will assess him and if he is not there as yet, we will say you have a skills gap. You have a deficiency, we put you in the training programme. When you are ready, we certify you.

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“You can imagine the importance and the impression and the effect of that on a fadder, who was never credential, on his family? Dat is expansion, dat is not contraction. Dat not decrease. How yuh go say dat? Yuh cyar say dat. Dah is wha we about. We expandin de base.”

As I conclude—[*Interruption*] and we are exporting those skills—I want to tell you that I have been able, beyond any shadow of doubt, to prove the following:

1. What was spoken of by my very distinguished colleague, as celebratory as she is, is what I refer to as deceptive accounting. I refer that to *CXC, Principles of Accounts for the Caribbean* by Frank Wood, basic accounting. [*Desk thumping*]
2. I want to tell you also that I have been able to show, very conclusively, the expansion in expenditure and investment by the taxpayer for the benefit of the citizens of Trinidad and Tobago, and I so commend.

Thank you very much. [*Desk thumping*]

Sen. Prof. Harold Ramkissoon: Mr. President, this is a very difficult act to follow, [*Desk thumping*] but let me, since it is the first meeting of the Senate in the new year, join others in extending best wishes and a pleasant new year to all.

Let me also, since it is the first meeting since the THA election, offer congratulation to the victors; and to the vanquished, what can I say? I think you have accepted defeat in a very stoic manner.

[MADAM VICE-PRESIDENT *in the Chair*]

I would like to take a closer look at the figures of the election, Madam Vice-President. I notice that the PNM got around 20,000 votes, all 12 seats, and the TOP got no seats with approximately 12,000 votes. My calculation tells me that approximately one-third of those who voted have no representation in the THA. This strengthens the call that I have made in the past for a component of proportional representation in our system and I hope that constitutional reform will be brought to the front burner as soon as possible. [*Desk thumping*]

I should also point out that had we had proportional representation or some form of it in Tobago, this near constitutional crisis that we are now facing, we would not be facing it.

This Bill basically deals with adjustments to fiscal 2012. We are discussing this Bill amidst some very interesting headlines in today’s global economy and I want just to give you some of the headlines. We are reading:

Japanese record the largest ever trade deficit

Spanish unemployment hits record high

South Korea growth hits three-year low

IMF cuts global forecast or downgrades the global economic forecast

Even though, Madam Vice-President, one distinguished British journalist, Mr. Martin Wolf, tells us that the world can stop panicking for now, I believe that we are still not quite out of the woods. While there is the occasional glimmer of hope, there is still tremendous uncertainty. In fact, some people believe that we are never going to get out of the woods unless two things happen—unless those in the north, in the industrialized countries, are prepared to have a lower standard of living; and if, in addition, we redefine the concepts of growth and prosperity.

Madam Vice-President, it is against this background that the adjustments are being made today. Firstly, thanks to the higher than projected prices for oil and gas, we have been able, I understand, to cut the deficit in the budget from 4.3 per cent of GDP to 2 per cent of GDP. While this is good news and while the latest Moody's reported rating of Trinidad and Tobago, and the prediction of a stable outlook for us is encouraging, there are still major challenges that we face here in Trinidad and Tobago and I want to list some of the challenges I think we still face.

We are still operating on deficit budgets with mounting debts. I think the debt is approximately 50 per cent of GDP; the danger point, I understand, is 70 per cent. We still have to get the economy on a sustainable growth path. Major projects, such as the CariSal project and the ammonia/urea/melamine complex, are still very much, I understand, on the books and are still to get off the ground. The diversification programme that we have been talking about for years now is still to take a clearly defined form. The dynamics of natural gas is changing rapidly. We were once the major producer of natural gas to the eastern seaboard of the USA. That is no longer so. In fact, it is predicted that, by 2016, the US would be a net exporter of natural gas. Taking that into consideration and the fact that there are a number of new producers of natural gas, the future for natural gas does not look particularly bright. Therefore, Point Lisas, which owes its existence to cheap energy, may no longer be a secure corner of our economy. The bottom line, Madam Vice-President, is that, as we have said repeatedly, we have to depend less on natural resources and more on developing human resources.

I was very happy to hear the Minister of Tertiary Education and Skills Training put the emphasis on this. As a small country we have no choice; we really have no choice. For us to survive, we have to go that way; we have to develop our brainpower as a number of countries have done.

Again, I am very happy that the Minister gave us a rundown of his accomplishments and the work he is doing in the field of tertiary education. He used to be in science and technology also. I want to say—I want to take up, for a while, more or less from where he left off—that we need to spend more on research and development. You cannot separate one from the other. Research and development go hand in hand—R&D. If you do not invest in research, you are not going to get development. It is as simple as that.

The question, therefore, is, as you rightly said, what sort of research you are going to do. Who drives the research agenda? This is the point I made in my contribution to the budget debate. Who drives the research agenda in Trinidad and Tobago? Who sets the agenda for development of science and technology? Somebody has to do that and I had suggested, I think in my contribution, that what we need to do is probably to set up a science council with representatives from various sectors. Let them oversee an R&D fund and do a number of things otherwise. I think this is a recommendation I would like you to consider again. Somebody has to say, look, these are the needs of the country in science and technology. This is the associated research that we need and, therefore, we are going to fund this research; not only are we going to fund the research, but we are going to monitor the research and get progress reports on a timely basis. That has to be done.

I am very happy that for a small country of 1.3 million people, we have three universities, we have COSTAATT; we have a number of private providers in tertiary education. At the same time, I want to mention also, when we talk about tertiary education, there is a paradigm shift out there and we all need to be aware of it. I think some of us are aware of it.

There are now a number of online courses that are being offered and we have to think about what are going to be the consequences for us in Trinidad and Tobago—not only Trinidad and Tobago, but I think for universities in the developing countries. Are they going to pose a threat to our universities? There are pluses and there are minuses, but these online courses are becoming extremely popular. In fact, they were started about 10 years ago, when the prestigious Massachusetts Institute of Technology made all its courses freely available online and since then, a number of other universities—some prestigious; some not too

prestigious—have come on board. Cambridge University is now involved; the University of Delft in Europe. The most popular of these programmes is what I think they call the MOOC, which is a programme developed by both MIT and Stanford University.

Sen. Karim: Massive Open Online Courses.

Sen. Prof. H. Ramkissoon: Precisely. And they are now offering courses to over 100,000 students per course over the world and this boggles the mind. So we are seeing a new paradigm shift in education where the individual, the learner, decides his space time reference. In other words, he decides where he or she wants to undertake the course and when he or she wants to do the course. That is going to lead to a number of consequences for us in terms of budgeting for education. It is going to transform the way we teach also at the university. The university might become an institute maybe for research. So we need to start the debate on what are the implications of these online courses for universities in Trinidad and Tobago.

9.00 p.m.

Madam Vice-President, I, again, want to appeal to the Minister; I think he understands, fully, the importance of research and development, that the PP manifesto permits the party 3 per cent investment on R&D over a 10-year period, and all I think the scientific committee would be asking for is 1 per cent in the first five years. If we can get 1 per cent, which is the target set for developing countries, we would be doing well.

With respect to the Bill, Madam Vice-President, I just have one simple query. If you look to the schedule on page 43, it is under, I think, sub-item 06(1), and it is the UTT Diabetes Service Initiative. Let me first state that diabetes is a major problem in this country. Many people do not understand or are aware of the magnitude of this problem in Trinidad and Tobago. In 2010, we had 175,000 people who were affected with diabetes—that was in 2010. We are two years down the road and I would not be surprised if it has now moved up to 200,000 people.

We are in the western world, on a per capita basis the number one country that is affected in the western hemisphere. In the world we are in the first five among the countries, so we have a mammoth problem here with diabetes.

Sen. Ramlogan SC: Good point.

Sen. Prof. H. Ramkissoon: It is a partly lifestyle and partly genetic, and it is a problem we have to deal with. We need to focus resources in areas that are going

to bring results, so that we see improvement in this generation and future generation.

Sen. Ramlogan SC: And non-communicable diseases on the whole.

Sen. Prof. H. Ramkissoon: In general, non-communicable diseases. But the question I have is the following: I see that \$20 million has been allocated to some initiative and the questions I want to ask are the following: is this the arrangement with Johns Hopkins University? If so, what is the status of the programme? Does the agreement between Johns Hopkins and UTT still exist? I would like to get some answers to these questions.

Madam Vice-President, I just want to make one or two other comments. I want to mention also the importance of patents. Patents give you some reflection as to how much your industry climate is in the country in terms of productivity. You need research again to produce patents, there is a close relationship. With respect to patents, Trinidad and Tobago is not doing very well. Okay.

In the period 2001—2007, according to the Intellectual Property Office, Trinidadians and Tobagonians have applied at an average per year for two patents. We have had two patent applications on an average over the 2001—2007 years. But there has been foreign interest in patent applications in Trinidad and Tobago. What is interesting is that an average per year of 50 patents have been granted to foreigners in Trinidad and Tobago, during that period 2001—2007. It is an area that we need to do something about.

Madam Vice-President, my contribution today will be brief. I have talked about the online courses and I will bring my brief contribution to an end. I just want to say that we are very much concerned. I think the citizens are very much concerned that we have had deficit budgets since 2009, and this is expected to go on until 2016. No one can be happy with a situation where, year after year, for eight years Government is borrowing money for which our children may have to pay. Government must therefore make a concerted effort to get us out of this mode of living beyond our means, and, if possible, do this before 2016. That, Madam Vice-President, is what a responsible government will do. Thank you very much. [*Desk thumping*]

Sen. Dr. Victor Wheeler: Thank you, Madam Vice-President. Tonight I will just be very brief. Some of the points I wanted to make were already mentioned. Just very briefly, I am happy that unlike in 2012 when the last Minister of Finance came to wind-up the finances for the year there was a request for additional funding, at least this year there has been no request for increasing the size of the budget—and I am happy for that.

I am just concerned about the significant amount of money that has been allocated for salaries and wages that has not been spent in several of the Ministries, and I did a quick calculation—proper maths, I think—and I came up to \$364 million. Now, there were several Ministries that accounted for a significant proportion, for example, the Ministry of National Security: salaries and wages for firemen, prison officers, immigration, amounting to \$52 million; Ministry of Education: for secondary schools, \$65 million and primary schools, \$138 million. Of course, the money, as the document said, was spent in other areas because it could not be spent because of positions that were vacant.

In some discussions I had with the President of the Public Services Association, Mr. Watson Duke, he informed me that there are over 10,000 vacancies in the public service, spread across the various Ministries, and approximately 15,000 contract workers. I know that TTUTA, for example, has been complaining, bitterly, about the shortage of teachers, you know, the Ministry of Health is complaining about the shortage of doctors and nurses, so certainly hearing the contribution of Minister Karim, where there are lots of training going on and you are talking about getting the needs of the country, I am hoping that plan that you certainly seem to be executing very well will help to address these vacancies.

I will now, quickly, just touch on the events of Monday 21, and I want to congratulate, as my colleagues have congratulated, the Tobago House of Assembly, in particular the PNM, on their resounding victory. I must say that Mr. London, who before the election was the longest-serving Chief Secretary, serving three terms, and now will be serving a fourth term has achieved something that is very unlikely to be achieved ever again in the history of the Tobago House of Assembly, and I think he, himself, needs to be commended for that. [*Desk thumping*]

I was a little concerned about his victory speech when he had asked for the release of \$600 million-plus, and then I am hearing on the news tonight that that money is going to be released, because there has been a concern in certain quarters that because of the “resoundness” of the victory of the PNM, there may have been some challenges with the PNM-controlled THA receiving funds. So I am very happy and pleased that the Minister of Finance and the Economy, who was here, has dispelled that notion, very quickly. I know he, himself, in his former incarnation as being in charge of FCB had a very good relationship with the THA, so I expect that will just continue.

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I believe this is an opportunity for both the THA and the central government to display a renewed effort of cooperation and collaboration, because at the end of day the People's Partnership is the Government of Trinidad and Tobago. The THA is responsible for Tobago, but the Minister of Finance and the Economy, who has presented this Bill, is the Minister of Finance and the Economy of Trinidad and Tobago, and I hope that relationships will improve so that both the people of Trinidad and Tobago will develop so that the People's Partnership manifesto of Tobago, being side by side, will be a reality. Madam Vice-President, I thank you. [*Desk thumping*]

Sen. Dr. Lennox Bernard: Madam Vice-President—yes, you have to bear with me, I heard the groan. [*Laughter*] Madam Vice-President, I would not be long but I felt that I needed to say a few things: one, to extend best wishes for the new year, a progressive year that is, to all of us: staff, the President and colleagues in the Senate. I want to reinforce the point, Leader of Government Business, that we have a legislative agenda that is clear to all of us, and that it is less spasmodic and less based on, what one would call, a rapid response to situations.

Joining this team here I never, never, realized that the effort we would have to make to do our contributions would require no less than 30 contact hours for any one Bill. In fact, some Bills require us to work as long as 40—60 contact hours, even if we do not speak on the Bill we are prepared for the Bill. We go all over the world looking at what they are saying and so on, so it would even help the tenor of what we do if we can have a legislative agenda that is clear.

I know it is going to be a challenging year. It is going to be a year filled with all kinds of very important Bills: procurement Bill, the Bill related to Tobago, insurance Bill—serious, serious business. So I feel if we have information ahead of time we will work even harder to make sure that the tenor, the mood and the kind of scholarship expected of us will be maintained.

I want to speak directly to prison reform, but before I do that I want to commend Sen. Karim for his contribution this evening. [*Desk thumping*] I still call him a young man because he is very young to me, but I always knew that Sen. Karim would be what he is today and still have that passion for what he always believed in. [*Desk thumping*] So it is commendable, you can hear the passion in what he says; you can hear the passion in the way he feels about what he is doing and I think the support that he deserves should be given to him.

I am sorry our Sen. Christlyn Moore has gone because I wanted her to use that money that, as Sen. Karim said, and I too did Frank Wood, so I knew very well that the money would have been passed onto the new pages, and so on. I want to,

specifically, say that penal reform seems to have been a strong area by this Government in terms of how—and I see Sen. Moore coming back. Yes, Sen. Christlyn Moore is coming back.

Even with Minister Volney, you got the impression that prison reform was upper most in their minds in terms of what they seek to do. Having to do a project for the Government in another area quite recently, and we have almost completed it, in fact, it is completed, it is being put together, conditions in our prisons are inhumane, in fact they are degrading and unacceptable.

I invite Sen. Moore, if she has not done that as yet, to visit the remand yard, Senator, where there are 1,000 people housed in a space meant for 380 or so people, and you would see human wastage at its worst. You would see human beings 18 years and up, human derelicts, people who have been in remand yard for as long as 10 years, some of them. One was recently released, last week, seven years, and you have many, many more who have not yet faced sentences or been convicted. It is argued that some of it could be with the police who have not yet put the evidence together, and some have been lackadaisical on that. It has been argued that the judicial section to it, or the Judiciary, has also to share some blame for having this wastage of what Mr. Karim is trying to do on the outside with those who are in the inside, and I am happy if you would continue in the same vein as what I am saying that was happening with penal reform.

I want to remind us all of the necessary pails or buckets that are still in these prisons that represent or even resemble the barracoons of old that were on the slave ships or slavers, where these people have to empty these buckets twice per day, six in the morning and 1.30 after lunch, but the stench never leaves that space and you realize the level of inhumanity to others that we practise.

9.15 p.m.

I think it is an indictment an all of us citizens that we continue to have a remand yard that looks like that, that feels that way and that encourages those people. All of them their value frames are the same: anger, rage, victimhood, impulsivity; seemingly with a rage that even when they are let out, does not seem to leave them. Whether we are those who feel that in a real sense they deserve it, retributive justice, we must recognize that they need to be rehabilitated in the context of even their age.

[MR. PRESIDENT *in the Chair*]

I did a little research on the ages of some of those young people who are in our prisons at this time. In the age group 15—39, male Africans, 62 per cent; male “Indo”, 54 per cent; male mixed, 64 per cent—within the age cohort 15—39.

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Among the women, 71 per cent African women, 56 per cent East Indian, and 64 per cent mixed. Of course in the number of women to men, the women were much less, 88 of them as against 3,000 in that prison setting. Those figures were for 2011.

I am simply appealing to you, Madam Minister, that you can safely utilize all those funds that have been turned over to you, whereby you can work on your maximum security complex, with the \$4.7 million that you have, where, if there is further space and upgrade, we can take some of the inmates from Golden Grove and give ourselves a breath of fresh air to do the necessary work that is needed in Golden Grove. I suggest that we look at the moneys given to you for the upgrade of the Carrera Convict Prison, which is also in need of some kind of work at this time. The construction of a nursery at the women's prison in Golden Grove is also important, and then again you could look at the YTC.

We have made some very comprehensive recommendations in another place, in another document for YTC, where we have more than 400-odd young people. If we are not careful, it can become an incubator for crime, where already there are incipient gangs formed within that setting. We have to be careful how we train them. This is why I am happy that training is getting the kind of attention it ought to.

In essence, if you put more structures, in keeping with what Sen. Karim said, where our CVQ programmes could be expanded in the prison, they could then do more of the practicum, get more of those areas of work in. In fact they wanted to have a work-based centre, where they could have an exposé of the items they have made, so they could sell some of that and maybe at the end of it all, after three years, get a part of the stipend, with the rest going to the prison.

There is a place I know—many, many years ago—where some of these centres are self-sufficient. They do their own baking; they grow their own vegetables; they get their own food and then they help the community by doing other things: making clothes, sewing school garments and so on, those kinds of very innovative life skill developments that we need to try. So I am going to look forward at the end of this year to see how much we would have spent in this regard.

We need to train our prison officers. Our prison officers have not had training. Their training curriculum has remained rather the same over time. We also want you to examine the fact that there is one psychologist for the eight sites within that range of correctional institutions—one psychologist. Now and then she gets

some help from some of the students who come to do their coursework or some of their research work, and that offers her an opportunity. But it is a sad reflection on us, in the face of what Sen. Karim is trying to do, that with a recidivism rate of close to 60 per cent, people wanting to go back, that we do not pay closer attention to this area of development.

Mr. President, to wind up, let me tell you that yes we have gone through a Bill that dealt with an electronic aspect to it, we want to see a Bill on parole coming forward. We want to hear more as it relates to changing the way we do things at YTC. They do not need prison officers really; we can have a space that can be ordered differently, as we are also asking for the St. Michael's School for Boys.

All in all, mine was just a plea for our prison officers who are sometimes judged wrongly. Some of them in fact are not seen, as they are very much devalued, and I think we need to do much more to bring that professional group to a standard that we could be justly proud of.

Thank you very much. [*Desk thumping*]

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. Speaker [*Interruption*] Mr. President, sorry. It has been a long afternoon.

It is not my intention to detain us for too long. In wrapping up I just want to say that in listening to the debate, there were basically three areas that were focused on. The first was the quantity and quality of information which this side provided to the honourable Senate. [*Desk thumping*] Associated with that was the issue of sorting out the whole realignment of Ministries.

The second matter which seemed to have detained us for a while was the question of the Point Fortin highway and, of course, thirdly, the issue of

Tobago came up in addition to some of the ancillary issues which were also raised by Prof. Ramkissoon, Dr. Wheeler, as well as Dr. Bernard.

In addressing the issues which were raised, I do not think I need to go into too much detail regarding the issue of information accounting deception and so on, I think I only need to refer the honourable Senate to Frank Wood's *Principles of Accounts*, and Ivan Waterman—[*Desk thumping and laughter*] I do not think I need to go into too much detail on this. I think it has been properly explained.

Sen. George: Ventilated.

Sen. The Hon. L. Howai: And ventilated. Similarly, my colleague, Sen. Fazal Karim, dealt with some of the issues raised by the hon. Member from Tobago. I do not think it is necessary again to go too much into that issue.

The issue of the Point Fortin Highway; I think what is good is that we all seem to be in the same place that it makes good socio-economic sense. We know that the highway would bring significant opportunities for new business development in the area. We only need to look at what happened in Chaguanas in the way Chaguanas developed after the Solomon Hochoy Highway was developed. [*Desk thumping*] It deals with the question of internal tourism.

There are a number of areas in south Trinidad that need to be opened up and which need to be visited more often, not only by the internal tourists from Trinidad and Tobago, but international tourists: our Pitch Lake, the Devil's Wood Yard, the Company Villages of Moruga and so on. There is much to be developed in that area and there is huge potential in a number of areas. For example, it certainly would create a boon for the fisheries and agriculture sectors. Certainly with areas such as Cedros and Iacos, which are budding fisheries and agricultural centres, we could see those areas developing as a result, concomitant with the opening up of that whole area.

We also see it stemming things like urban drift, where a lot of the people with the intellectual development, with the qualifications, tend to move into Port of Spain simply because there are no opportunities out in those areas. As we develop those areas, we could see the potential to stem urban drift from the development of this very crucial arterial highway going into south, and of course, the opening up of opportunities for port development. One of the opportunities we see is the development of the port facilities in south Trinidad, to take advantage of that whole maritime area taking you into Latin America, which is something that can be opened up.

Already the Galeota Port—the port that we are building in Galeota—is a launch pad for developments, we think, in French and British Guyana, as they develop their mineral sector and as companies from Trinidad and Tobago use that as a platform to move into South America.

Hon. Minister Vasant Bharath has already introduced the Oldendorff Company, which is taking advantage of the opening up of the Panama Canal, where you can bring goods into Trinidad and Tobago, put them into a bigger vessel and move them through the Panama Canal, and you can do the same going the other way. So there is a huge potential for developing of our port facilities in that area. I think we have all agreed that the investment is one that is extremely worthwhile; it is one from which Trinidad and Tobago can reap significant rewards.

Yes we have some issues to deal with. One of the issues that came up was the whole question of borrowing and how we would finance that borrowing. It has been raised in the context of, “Well, perhaps you have the controls of the IADB,” and “If you were to borrow from the IADB, they put certain controls in place.” I do not think you need the IADB simply to put controls in place. We have the controls that would ensure that the funding is used in the best possible way. [*Desk thumping*]

The whole question of the cost of funding—of course it is always cheaper—your funds sitting at zero per cent, it is better to use, than to borrow money at 5 per cent. I am not saying that we are not going to borrow money. I am saying that fortunately, given our fiscal position, we are in a position where there is no pressure on us to make a hurried decision about how we go about financing this.

It is very important for us to understand what is the right mix of international borrowing and local borrowing, how much we would put on the local market and how much we would raise internationally, and what is the best mechanism for doing so, whether it should be through international lenders, international development institutions or through commercial institutions. Those issues are not lost on us. We understand them very well, and we are not going to be stampeded into making a wrong decision or a decision that turns out to be too costly for Trinidad and Tobago. We are going to make the right decision as far as that is concerned. [*Interruption*] “Yeah”, that is right. So we are not going to do anything that is going to leave a future generation to pay the price for what we do. So we will ensure that that is done properly.

9.30 p.m.

I want to say too, concerning the issue of information, that all of the information, certainly the documentation relating to things like the environment and so on are on the website of the Ministry and are available to all citizens of Trinidad and Tobago for access to that information. I think it is something that, you know, I would certainly encourage the entire community to take a look at what is there and without pre-empting what Dr. Armstrong will come with, I am sure that, you know, I think most citizens will be satisfied with what they see in terms of the information that is readily available.

There were a couple of issues which were raised. Mrs. Drayton raised the issue of the NIDCO and the SME standards. I have not—I need to take a look at that, so I would need to get back to you on that. Similarly, Prof. Ramkisson raised a question regarding the diabetes services initiative whether it is in conjunction with Johns Hopkins, and that I do not have an immediate answer—[*Interruption*]

Sen. Karim: It is.

Sen. The Hon. L. Howai: It is? Okay. So we have the answer to that; it is in fact the initiative with Johns Hopkins—thank you, Mr. Karim—which means that I only have one question to answer as far as that is concerned.

One of the things, Mr. President, is that we, Trinidad and Tobago, are not very good at celebrating our successes; we tend to be very critical of ourselves and in a sense we talk down ourselves. One of the things we need to do is to start speaking about all the successes which we have had, and which successive administrations have had, in the development of Trinidad and Tobago. Today, Trinidad and Tobago is a major player in the gas sector, and, you know, certainly it is something that we should celebrate. Some of the initiatives currently underway as we seek to diversify the economy, the initiatives particularly that we are building on—and this is very pivotal to our development which the hon. Fazal Karim spoke to—in the area of developing human capital. That is a very, very critical initiative which is actually going to be the pivotal initiative on which the diversification of this economy takes place.

Diversification of the economy, Mr. President, is not something that happens overnight, it is something that would take a long period of time. It would happen on a gradual basis until it starts to develop its own momentum. I am very pleased to see some of the initiatives, for example, in the financial sector; some of the successes of the IFC over the few short months since we started the initiative of back office processing. Royal Bank has opened their back office processing centre on London Street. Scotiabank has indicated an interest in bringing their back office processing for the Caribbean here into Trinidad and Tobago.

We have also signed an MOU with Pan-American Life where they are also seeking to bring all of their back office processing for insurance operations in Trinidad and Tobago. We see a number of other initiatives like that potentially coming to fruition as we start to build out our initiatives in that area.

I spoke to the ports and some of the things that we are doing in the area of the ports. Again, I can see these initiatives continuing to snowball and gather strength as we continue to build the economy into a strong, vibrant economy and certainly what we would consider a developed economy as we go forward.

In terms of some of the concerns that had been raised about the economy, I just want to quote from Moody's Investors Services. This is their global credit research issued on January 16 as part of their rating of the country, where they reaffirmed Trinidad and Tobago's Baa1 bond rating saying that the rating outlook remained stable. They say here that:

“Trinidad and Tobago’s Baa1 sovereign rating continues to be supported by (i) one, the government’s robust balance sheet, fiscal savings and a strong external liquidity position that mitigate susceptibility to event risk; (ii) a solid institutional framework with a high degree of policy coherence and continuity; and (iii) relatively high income per capita.”

They went to say though that:

“The rating is constrained by the small size of the economy,”—something that we are working on right now as we continue to develop the economy and to grow and to return the economy to growth—“a limited degree of diversification”—which we have identified—“concerns about medium-term growth prospects...”

And this related more to what is happening in the rest of the Caribbean which are markets for our produce. They feel that the rest of the Caribbean limits, and what is happening in the Caribbean is likely to limit the growth prospects that we have here in Trinidad as far as exports are concerned, but we continue to diversify our export base.

For example, LNG which had been identified as something, you know, for example, that we are losing the US market. About five years ago 80 per cent of our LNG exports went into the United States, 20 went elsewhere. Today, based on what is happening in the United States, we have actually diverted cargoes, we arrange how we export our LNG, and today 80 per cent go elsewhere, 20 per cent go the United States. In fact, we have a better return on some of those cargoes that are going elsewhere.

Finally, the issue has been raised about the deterioration of fiscal and debt metrics. That has been really a result of what has happened with Clico. I made the decision during the course of the past few months to recognize the debt which we have incurred as a result of the restructuring of the CL Financial Group. That has added 10 percentage points—a little over 10 percentage points—to our overall debt to GDP ratio, and that has really significantly hamstrung our ability to do more than we would like to do because we are very concerned about the escalation of this particular measure which most of the rating agencies take a look at, and therefore, which could impact on our borrowing cost. Because if we are downgraded, it means immediately the interest rate that you have to pay when you go to borrow money goes up and your ability to raise money and the tenor that you can raise for is also affected.

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So, that is something that has affected us very significantly, and therefore, one of the areas we have focused on is ensuring that we can bring this issue involving the CL Financial Group to a close as quickly as we can. We have a strategy that we are working on; we have a plan A and we have a plan B. We know if this does not work we know exactly what else we are going to do, and our intention is to recover as much of that \$19 billion as possible so that we could retire our debt and that we could fund the developments which hon. Fazal Karim was speaking to, and all the other initiatives we have in the area of health, in the area of development of our infrastructure and so on. All of those things we can continue that development without significantly impacting on our debt metrics. Because what that would mean is that that funding that comes back in could either be used to reduce debt or used to fund the things that we want to see happening as we go forward.

So, we think that we have a plan in place that would allow us to do the things we want to do without significantly impacting negatively the debt metrics that we have, and we expect that once we can execute on that, in the way that we want to, that we should be able to see the transformation of the economy without a significant deterioration in our debt to GDP ratio and our overall total debt figure. Mr. President, we have a plan in place, we know what we want to. We have clear objectives of what we want to achieve and we are well on our way to achieving those.

So, I think in bringing this debate to a close, I want to say that I stand here very optimistic about the future of Trinidad and Tobago. The numbers that we have presented, they are historic numbers, but also the overall deficit numbers, while we did not achieve all the things and in a sense, we did not spend all the money we wanted to spend, the good news is that we have been able to keep our deficit down. Overall, if you look at the last three years you would see in the year 2010 we actually showed a small surplus of \$188 million, in 2011 it was a deficit of \$1 billion, and in 2012 it was a deficit of \$3 billion. In fact, the cumulative deficits have not been as bad as had been originally projected.

Overall we have things under control, Mr. President. We think, we believe, we are sure that we are on the right track and we are sure that Trinidad and Tobago will derive significant benefits from what we are seeking to do here at the moment. With those short words, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

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Sen. The Hon. L. Howai: Mr. President, in accordance with Standing Order 63, I beg to move that the Bill not be committed to a committee of the whole Senate.

Question put and agreed to.

Question put and agreed to: That the Bill be read a third time and passed.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, I beg to move that this Senate do now adjourn to Wednesday, January 30 at 1.30 p.m. to debate the Finance Bill.

Mr. President: Did you say 1.30 p.m.?

Sen. The Hon. G. Singh: “Yeah.”

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 9.42 p.m.