SENATE

Tuesday, July 01, 2014

The Senate met at 10.30 a.m.

PRAYERS

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

LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, I have granted leave of absence to Sen. The Hon. Vasant Bharath who is out of the country and Sen. The Hon. Fazal Karim who is ill. The instruments, unfortunately, got a bit late but they are being printed so we will produce them in the next minute or so. I am advised that we will then come back to the item.

FINANCE (SUPPLEMENTATION AND VARIATION OF APPROPRIATION) (FINANCIAL YEAR 2014) BILL, 2014

Bill to supplement and vary the appropriation of the sum the issue of which was authorized by the Appropriation (Financial Year 2014) Bill, 2013, brought from the House of Representatives [*The Minister of Finance and the Economy*]; read the first time.

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

Question put and agreed to.

PAPERS LAID

1. Bankruptcy and Insolvency Regulations, 2014. [*The Minister of Finance and the Economy* (*Sen. The Hon. Larry Howai*)]
2. Petroleum (Royalties) (Onshore Crude Oil) (Revocation) Regulations, 2014. [*The Minister of Energy and Energy Affairs* (*Sen. The Hon. Kevin Ramnarine*)]
3. Report on the Achievements aligned to Government's Framework for Sustainable Development Commitments (Review of the 2010 "Prosperity for All" Manifesto). [*The Minister of Planning and Sustainable Development* (*Sen. The Hon. Dr. Bhoendradatt Tewarie*)]

SENATORS' APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received the following correspondence from His Excellency the President, Anthony Thomas Aquinas Carmona, S.C., O.R.T.T.:

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency ANTHONY THOMAS AQUINAS CARMONA, O.R.T.T., S.C., President and Commander-in-Chief of the Armed Forces of the Republic of Trinidad and Tobago.

/s/ Anthony Thomas Aquinas Carmona O.R.T.T. S.C.
President

TO: MR LARRY LALLA

WHEREAS Senator the Honourable Vasant Vivekanand Bharath is incapable of performing his duties as a Senator by reason of his absence from Trinidad and Tobago:

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(a) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, LARRY LALLA, to be temporarily a member of the Senate, with effect from 1st July, 2014 and continuing during the absence from Trinidad and Tobago of the said Senator the Honourable Vasant Vivekanand Bharath.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 30th day of June, 2014."

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency ANTHONY THOMAS AQUINAS CARMONA, O.R.T.T., S.C., President and Commander-in-Chief of the Armed Forces of the Republic of Trinidad and Tobago.

/s/ Anthony Thomas Aquinas Carmona O.R.T.T. S.C.
President.

TO: MS. KEITHA SMITH

WHEREAS Senator the Honourable Fazal Karim is incapable of performing his duties as a Senator by reason of his illness:

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(b) and section 44(4)(a) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, KEITHA SMITH, to be temporarily a member of the Senate, with effect from 1st July, 2014 and continuing during the period of absence due to illness of the said Senator the Honourable Fazal Karim.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 30th day of June, 2014."

OATH OF ALLEGIANCE

Senators Larry Lalla and Keitha Smith took and subscribed the Oath of Allegiance as required by law.

SELECT COMMITTEE REPORTS
(Presentation)

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. Vice-President. I have the honour to present the following reports in my name:

Insurance (No. 2) Bill, 2013

Fourth Interim Report of the Joint Select Committee appointed to consider and report on the Insurance (No. 2) Bill, 2013.

Securities (Amdt.) Bill, 2013

Report of the Special Select Committee on Securities (Amdt.) Bill, 2013.

STATEMENT BY MINISTER

Review of the 2010 "Prosperity for All" Manifesto

The Minister of Planning and Sustainable Development (Sen. The Hon. Dr. Bhoendradatt Tewarie): Mr. Vice-President, hon. Members, it is indeed an honour and a privilege to lay the report entitled "Achievements Aligned to Government's Framework for Sustainable Development Commitment" in this honourable Senate. This report provides a critical assessment of the performance of this Government's 2010 "Prosperity for All" manifesto commitments. The

report is based on an examination, in detail, of all the promises, commitments and pledges that were outlined in 2010, and articulate our progress, our achievements as at March 31, 2014. In this document, nine specific policy shifts were identified and the achievements have been aligned in the document before you to the policy shift commitments that we made to the people of Trinidad and Tobago then.

10.45 a.m.

The People's Partnership Government's manifesto, as you would recall, was adopted as the official policy framework during this Government's first year in office. And, while the fundamental principles were included within our *Medium-Term Policy Framework 2011—2014*, the hon. Prime Minister of Trinidad and Tobago, Mrs. Kamla Persad-Bissessar, thought it desirable to report on what we had originally promised, hence the creation and publication of this document. Suffice it to say that these things could not have been initiated or achieved without action based on the *Medium-Term Policy Framework 2011—2014*, nor could it have been achieved without strategic plans and the execution of these by individual Ministers and Ministries.

Approximately 260 explicit and implicit promises, commitments and pledges were identified, which were to be implemented or executed. Today I am pleased and very proud to announce that over 230 of these have been implemented or are currently in progress, 232 to be exact. [*Desk thumping*] This represents an achievement rate of approximately 90 per cent, which demonstrates resoundingly that the People's Partnership Government has indeed delivered and can, by any global standard, be regarded as a high-performing Government anywhere. [*Desk thumping*]

The report on the manifesto outlines nine policy paradigm shifts, which were articulated in the 2010 manifesto, and achievements are identified in accordance with these policy shifts. These policy shifts include:

1. providing a context for land use and physical planning, guided by the principles of sustainable development;
2. people-centred development;
3. crimes, personal security and justice;
4. food security and water resources management;
5. strengthening our energy industry while building a sustainable future linked to alternative energy;

6. enhanced local government;
7. responsible and responsive government;
8. immediate actions identified for implementation in the first year of government;
9. foster and promote a culture of consultation, participation, involvement and consensus building.

The achievements to date and recorded successes are spread across all nine policy areas.

This report on what has been delivered and what is being delivered in accordance with the nine policy shifts demonstrates transparency, and results as well as this Government's willingness to monitor, measure and adjust as necessary, our approach to implementation.

Mr. Vice-President, hon. Senators, you may recall that there are other documents laid annually before this honourable Senate, which also report on Government implementation and performance. This report will serve, therefore, to complement the *Annual Report on Performance 2013*, entitled: *Measuring Progress, Identifying Challenges, Actioning Solutions,* which was laid in the Parliament of the Republic of Trinidad and Tobago on March 18, 2014. While the *Annual Report on Performance* of the Government provides essential information on the progress on achievement of specific targets and national outcomes identified in both the *Medium-Term Policy Framework* and the *National Performance Framework 2012—2015*, respectively, the report on the manifesto 2010 gives additional information on how the People's Partnership Government has been working for the citizens of Trinidad and Tobago.

The 2010 manifesto was a contract between the People's Partnership and the people to be delivered in Government. The *Medium-Term Policy Framework 2011—2014* was a translation of these into policy and action initiatives to realize the policy shifts. The two documents form an inextricable link, an alignment between politics, policy and governance; and a desire to honour commitments which is unprecedented in the history of government and politics in this country. [*Desk thumping*]

When the second *Annual Report on Performance 2013* was laid in this Parliament a few weeks ago, I indicated that the People's Partnership Government and the hon. Kamla Persad-Bissessar's administration were the first in the history of governance in our country to present reports on performance for the scrutiny of all citizens.

I am now certain that the People's Partnership Government and the administration led by the hon. Kamla Persad-Bissessar SC are also the first in the history of governance in Trinidad and Tobago to ever produce a report on a manifesto of commitments identifying what was done and what remains to be done. [*Desk thumping*] There is no precedent for this and it serves to prove that when the hon. Prime Minister was saying serve the people, serve the people, serve the people and when she was saying deliver, deliver, deliver, her Ministers were listening and taking heed and doing their work. [*Desk thumping*]

The achievements of Government over the last three years have been clearly articulated in the *Annual Reports on Performance*, both in 2012 and in 2013 and in the manifesto report. Together, they provide a clear and detailed account of our commitment to the citizens of Trinidad and Tobago on how well we are delivering on our promises. Annually as well, we produce a comprehensive report on the Public Sector Investment Programme performance at the time of distribution of the other budget documents and we will do so again, when the budget is presented this year.

The manifesto report and the *Annual Report on Performance* can now be shared with the wider citizenry. All citizens, therefore, can now have an appreciation of the dedication and commitment of this Government to people-centred development and the extent of progress toward achievement of the vision of prosperity for all as a nation. Our intent and purpose is to highlight the impact that is being made on the lives of all citizens by virtue of our development interventions and actions.

To further complement our work, within the next month, the draft national policy for monitoring and evaluation will also be laid in Parliament following which, strategic consultations will be held with key stakeholders, both public and private, in order to finalize this policy. The *National Monitoring and Evaluation Policy* will serve to strengthen our resolve even further in ensuring not only that we are doing the right things, as we committed to, but that we are doing them right.

At present, Trinidad and Tobago is the only country in the Commonwealth Caribbean with a national performance framework to measure Government's performance and soon, the only country in the Commonwealth Caribbean with a national policy on monitoring and evaluation, directly related to improving Government's performance.

As I conclude, I would like to sincerely thank all participating Ministries, departments and agencies, as well as all Ministers for their contribution in providing the information necessary to compile this report. I must also say thank you to the National Transformation Unit of the Ministry of Planning and Sustainable Development for their role in coordinating the production and publication of this report.

This report on *Achievements Aligned to Government's Framework for Sustainable Development Commitments* is testimony to this Government's unwavering commitment to accountability and transparency, particularly to our citizens in Trinidad and Tobago. Today, we can proudly say that in 2010, we made promises, commitments and pledges to our country and, we have delivered, [*Desk thumping*] we are delivering and continue to deliver to our citizens, to communities in which they live and to society at large.

Through all our trials and tribulations—and there have been some—the people of Trinidad and Tobago have always been the point of light on which this Government has narrowed its focus and as long as the Peoples Partnership Government continues in Government, governance will always be about performance and delivery and about development, and development will always be about development of our people wherever they live in Trinidad and Tobago. Mr. Vice-President, thank you, very much. [*Desk thumping*]

FINANCE (SUPPLEMENTATION AND VARIATION OF APPROPRIATION) (FINANCIAL YEAR 2014) BILL, 2014

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. Vice-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 2014) Act, 2013 be now read a second time.

Mr. Vice-President, the matter submitted for the consideration of the Senate is the provision of supplementary appropriation in the sum of $3.8 billion to fund urgent and critical expenditure to September 30, 2014. This includes the supplemental and variation of both recurrent and capital expenditure.

The Finance Committee of the House of Representatives met on Monday, 23 June, 2014, last Monday, and agreed on a number of proposals with respect to the 2014 appropriation. Members of the House received clarifications and answers to a number of questions which were asked during the Finance Committee stage.

Mr. Vice-President, before I get into the details of the report of the House Committee and of the Bill, I would appreciate if you could allow me to say a few words on the economic environment in which the report is being read and to allow this honourable Senate the opportunity to receive an update on the current progress with respect to the development of the economy.

Perhaps, I can start, Mr. Vice-President, with an overview of the global economy in which the particular request is being made. The global economy continues to strengthen. Over the medium term, the outlook is positive for advanced economies, particularly in the United States where, despite a sluggish first quarter, activity is expected to increase over the course of 2014.

There are two issues which affect the global economy, which I would like to address. The first is the Russia/Ukraine conflict and the second is the insurrection in Iraq, given the potential of these conflicts to impact the supply of and price of petroleum, natural gas and their derivative by-products.

Mr. Vice-President, the Russia/Ukraine conflict, which started in early 2014 has added a dimension of uncertainty to the global economic outlook. Russia supplies the Euro area with essential energy products and is also an important market for European goods and services. The conflict in Ukraine also has implications for global agricultural commodity prices, as both Ukraine and Russia are large wheat producers.

Severe weather conditions in several key agricultural areas in the US have already resulted in higher agricultural prices thus far in 2014. These events, along with prolonged drought in the US, pose upside risks to global food prices, especially if there is any disruption to supply in wheat from Russia and Ukraine. The insurgency in Iraq underlines the volatility of that part of the world, and together with the events in Russia and the Ukraine, contributed to better than expected oil and natural gas prices here in Trinidad and Tobago.

Mr. Vice-President, in emerging market economies, an export rebound was the main driver behind better activity while domestic demand generally remained subdued, except in China.

Mr. Vice-President, the final demand in advanced economies expanded broadly as expected, and financial conditions in these economies have eased since the release of last year's world economic outlook by the World Bank, with little change since the announcement by the US Federal Reserve on December 18 that it will begin tapering its quantitative easing measures.

11.00 a.m.

This includes further declines in risk premiums on government debt of crisis-hit Euro area economies. In emerging market economies, however, financial conditions have remained tighter following the US tapering announcement in May 2013, notwithstanding fairly resilient capital flows. Equity prices have not fully recovered; many sovereign bond yields have edged up and some foreign currencies have remained under pressure.

Turning to projections, growth in the United States is expected to be 2.8 per cent in 2014, up from 1.9 per cent in 2013 and this is good news for the continuation of demand in the United States, as well as demand for our goods and services, as well as the potential for upward movement in demand for the tourism product of our neighbouring Caricom brothers and sisters.

However, with the recent sequester cuts which have been put in place in the United States, the momentum of growth which had been projected towards the end of last year is not expected to maintain the same level of momentum and we are projecting that growth will reduce in the United States from the original projection of 3.4 per cent to approximately 3 per cent.

The Euro area is turning the corner from recession to recovery, but there are downside risks there, particularly as a result of what is happening in Russia and the Ukraine. Interestingly, the European Central Bank has now started to quote rates of -0.1 per cent. You are actually being paid to borrow money in the eurozone and certainly the Central Bank rates, the rate at which banks borrow from the Central Bank, is now at -1 per cent.

As I said in the House, the fact that lower interest rates have prevailed in the eurozone as well as in many of the advanced economies has been reasonably good news for us here in Trinidad and Tobago. It has allowed us to maintain a reasonably accommodative monetary policy stance and this has resulted in lower interest rates here in Trinidad and Tobago.

We note, however, that with the easing of the tapering as well as the return to growth in many of the advanced economies over the next 12 months or so, that careful attention will have to be paid to interest rates as well as to our own monetary policy stance in the context of where fiscal policy is located at the present time, to ensure that we maintain the right balance as far as capital flows are concerns.

Turning to the local economy, Mr. Vice-President, Trinidad and Tobago continues to attract the confidence of investors both locally and internationally. In 2012, we were ranked sixth in Latin America and the Caribbean to receive foreign

direct investments and we expect that this positioning would have improved in 2013. I do not have the results of that just yet but we expect further improvements in 2014.

All sectors of the economy continue to grow despite the setback created by one of the largest maintenance programmes undertaken by the energy sector in 2013. But notwithstanding the effect of this and the size of the energy sector locally, the economy continued to show year on year growth.

By the end of this year, we expect that the economy, in line with the forecast given by Moody's Investor Services and the IMF, would grow between 2.5 per cent to 2.9 per cent.

The Article IV Consultation conducted by the IMF earlier this year had this to say and I would just like to refer to the press release which the IMF has put out regarding our Article IV Consultation. I quote:

> Trinidad and Tobago's economy is embarking on a sustainable growth path. Maintenance-related slowdowns in the energy sector are ending while non-energy growth is robust with the economics slack being used up.
>
> Headline inflation is trending down while core inflation remains contained at between 2 and 3 percent. The unemployment rate has fallen to only 3¾ percent. The fiscal balance is likely to improve in fiscal 2013/2014 with the deficit falling to only 1½ percent of GDP. The external current account surplus has rebounded to over 10 percent of GDP and reserves are 12 months of import cover.

Mr. Vice-President, I quote from the IMF in order to simply make the point regarding the facts which I have put forward pertaining to the growth in the economy.

Moody's Investor Services also had this to say based on their recent review of the Trinidad and Tobago foreign currency and overall sovereign rating. I quote Moody's Investor Services, April 14, 2014:

> "Trinidad and Tobago's…Baa1 sovereign rating is supported by relatively high income levels, driven by the country's large and diversified energy sector…'The sovereign credit profile also benefits from a moderate and affordable debt burden and a very strong external position anchored by a sizeable foreign exchange reserves buffer. In addition, the government's balance sheet includes the country's Heritage and Stabilization Fund… a core fiscal institution to manage oil sector revenues that has accumulated a balance in excess of 20 per cent of GDP,..."

Moody's has projected growth in 2014 for our economy of 2.9 per cent. We think this is a little too robust, given the fact that there has been some continuing maintenance work in the first quarter of this year, which has affected overall performance during the first quarter. Moody's is projecting 3.2 per cent in 2015 and we expect that that probably will be in line with our own projections. Our projection for GDP at the end of this year is that total GDP of Trinidad and Tobago would have grown to approximately $175 billion.

Mr. President, as I said, across the board, all sectors of the economy are growing strongly. [*Desk thumping*] The non-energy sector has grown by approximately 2.5 per cent on average over the last six quarters. In the third quarter of 2012, the non-energy sector grew by 2.3 per cent; the fourth quarter, 1.9 per cent; the first quarter of 2013, 3.6 per cent; the second quarter, 2.6 per cent; the third quarter, 1.9 per cent; and the fourth quarter, 2.4 per cent.

So there has been a continuous growth in the non-energy sector and we expect this momentum to continue in 2014 and, as a result of the initiatives which we are currently putting in place, we expect this growth to actually accelerate towards the end of 2014.

If I may turn to unemployment, the other macroeconomic indicators, such as the unemployment levels, continue to perform exceptionally well. In the labour market, the Ministry of Planning and Sustainable Development has advised that the unemployment rate is now 3.7 per cent, the lowest level in the history of this nation. [*Desk thumping*] This has, to a large extent, been the result of a strategy adopted by the Government to focus on the remedying of infrastructural deficiencies in several parts of the country. This, combined with the continued expansion in all sectors of the economy has increased some pressure in the labour market, but has resulted in the reduction in unemployment.

The data from the Ministry of Planning and Sustainable Development has also revealed that over 13,000 new businesses were registered in 2013. We recognize that all new businesses created will result in job creation. There are some businesses that are simply opened to effect particular transactions and they are what we may call special purpose vehicles, but it certainly provided anecdotal support for the continuing expansion of business activity.

On the other hand, Mr. Vice-President, I would say that these numbers mask weaknesses and they are weaknesses that we need to address. The reduction in unemployment reflects to some extent the effects of the community environmental programme and the URP and to the extent that the 20,000 persons

in these programmes are considered to be underemployed or not employed to the level that they should be, if we were to increase this or if we were to include this, the total unemployment number would go up by 3 per cent, using a total labour force of just over 600,000 people.

But the hon. Minister of Works and Infrastructure, under whom the URP programme falls, has pointed out that he has done 624 projects within the last year, which improved drains, pavilions and community sites over the past year and, similarly, the Minister of Housing and Urban Development, under whom CEPEP falls, has made similar claims. So, even if we allow for the adjustments for some of the effects of the CEPEP and the URP programmes, you will see that unemployment is very well managed and very well curtailed in Trinidad and Tobago. [*Desk thumping*]

Turning to inflation, headline inflation continues to trend downwards. The last figure for February showed inflation at 3.9 per cent and core inflation, which excludes food prices decelerated to 2 per cent.

Food inflation, which dipped to an annual low of 3 per cent in September last year, was the main impetus behind the reduction in the rate of growth of headline inflation. Consumer spending is of course up and it is an area that we continue to monitor very closely to determine the effect on inflation as a whole.

Motor vehicle sales are up 25 per cent and sales of cement, an indication of construction activity, continued to increase robustly toward the end of the year. These are all risks that we need to continue to manage. So while on the one hand they are good news, on the other hand they represent risks that we need to manage as we move forward.

The country's balance of payments continues to be healthy, registering a surplus of $226.8 million for the first nine months of the year and it is estimated to have closed the year with a larger surplus, in the region of $786.3 million for 2013. As a result, as I indicated, growth in the national reserves has climbed to over US $10 billion, equivalent to 12 months of import cover. [*Desk thumping*]

In addition, we note that the foreign currency deposits in the banking sector have grown to over US $3 billion. The Heritage and Stabilisation Fund has also grown to over US $5 billion. Standard & Poor's has continued to maintain its rating for the country at A and our overall debt profile continues to be well managed with total debt, including guarantees, amounting to 43.6 per cent of GDP as at March 2014, well within the parameters for similarly rated countries.

So, overall, Mr. Vice-President, macroeconomic indicators remain strong. The fiscal position remains good. Inflation is well contained. Employment is at record levels. Foreign exchange reserves are at historic highs and the debt profile of the country remains well managed. We are well poised as a nation to continue the growth trajectory that we have been experiencing over the past couple of years and to accelerate that growth trajectory and the momentum of that growth as we move forward.

I know that the nation as a whole looks forward to the continuing strength and buoyancy of this economy, and its continuing expansion makes us one of the most vibrant and dynamic economies in the Western Hemisphere. [*Desk thumping*]

So within this context, Mr. Vice-President, we would want to place the initiatives which were in the budget of 2014, which now require supplementary allocation. Last year, the Government's fiscal operations resulted in a deficit of $4.2 billion, equivalent to 2.6 per cent of GDP. This resulted mainly from the settlement of outstanding wage negotiations for the period 2008—2011, which this administration had inherited. However, data for the first quarter of this current fiscal year showed a surplus of $4.2 billion. This was higher by 46 per cent than we had originally budgeted and resulted from the inflow from the sale of shares in the First Citizens IPO, which brought in an amount of $1 billion as well as from increased dividends from state enterprises.

In addition, most categories of revenue for the Government came in above budget reflecting the continuing expansion of the economy. Thus far, there has been an increase in expenses by 6.6 per cent, but this has been more than offset by growth in revenues and, Mr. Vice-President, I will speak to this in a short while, but before I do so, if you would allow me, I would just like to address a few specific areas of the economy which also impact on the request which we have for further appropriations in this Bill.

The economy of Trinidad and Tobago, as alluded to, is robust, with investors' confidence high, both locally and internationally. As I indicated, we ranked sixth in Latin America and the Caribbean as far as foreign direct investments for 2012 are concerned. While overall foreign direct investment inflows to Central America and the Caribbean fell by 17 per cent in 2012 compared to 2011, foreign direct investment coming into Trinidad and Tobago grew by 38 per cent over the same period, [*Desk thumping*] according to figures from the World Investment Report 2013, released by the United Nations Conference on Trade and Development (UNCTAD).

11.15 a.m.

Mr. Vice-President, the total foreign direct investment flowing into Trinidad and Tobago in 2012 was US $2.5 billion, the highest since 2008 when RBC of Canada reacquired RBTT for US $2.2 billion. FDI inflows into Trinidad and Tobago in 2011 totalled $1.8 billion. It was $549 million in 2010 [*Desk thumping*] and US $709 million in 2009. The pre-crisis annual average for Trinidad and Tobago was $884 million between 2005 and 2007. Our projections, based on estimates received from the energy companies are for inflows of over US $3 billion in 2014, the highest level over the past five years.

Turning to the capital market, Mr. Vice-President, despite the negative publicity surrounding the First Citizens IPO, it cannot be denied that the IPO itself was a financial success. [*Desk thumping*] The Government's divesting of approximately 48.5 million shares in an eager investment climate generated over $1 billion in revenue. Additionally, the demand created by the IPO had the effect of significantly increasing the worth of the rest of the shares in the bank which were retained by the Government. The initial share price was $22, while currently the price of the shares stands at around $34. At the time of the First Citizens IPO when the shares were offered at $22, Government's stake in the bank was valued at $4.3 billion. Today, with the share price increased to $34, Government's shareholding in the bank is now worth approximately $7 billion. [*Desk thumping*]

What is more and, indeed, Mr. Vice-President, in my view, more important, some 12,000 citizens of Trinidad and Tobago are now shareholders in the bank, that is, 12,000 citizens directly benefiting from Government's divestment of a portion of First Citizens.

Mr. Vice-President, you are no doubt aware that there were issues and concerns raised with this IPO. The PricewaterhouseCoopers investigation into this was completed and a report received. This report was provided to the Attorney General who in turn has forwarded the findings of PricewaterhouseCoopers to the Director of Public Prosecutions. The Attorney General has advised that the report cannot be tabled until the investigation is completed.

The report from PricewaterhouseCoopers has also been shared with the Securities and Exchange Commission. Mr. Vice-President, the Securities and Exchange Commission is itself conducting an enquiry into the alleged improprieties in the First Citizens IPO, and that investigation was begun in April and is still ongoing.

Mr. Vice-President, I am aware that there is a perception that the SEC's investigation is taking an inordinate amount of time. I wish to point out, however, that investigations of such complex financial transactions do take time. I am

assured that the SEC is being extra careful to conduct a most thorough and exhaustive examination precisely because it is of such importance, not only to the bank and the Government, but to the country as a whole.

Incidentally, Mr. Vice-President, I must commend the Securities and Exchange Commission which has in the interest of transparency and impartiality—and in order to ensure the rigour of the exercise—contracted a recognized team with experience in this business to conduct this most sensitive investigation. I would point out, however—I was reading, Mr. Vice-President, a report in *The Wall Street Journal* recently, and it is dated Thursday, June 19. What was interesting in the newspaper report was the fact that the Securities and Exchange Commission in the US, which has considerably more experience in dealing with issues involving these types of matters is still actually working on bringing charges against the brother of Mr. Raj Rajaratnram, Mr. Rengan Rajaratnam who is considered an accomplice with his brother.

Now, his brother was actually charged and convicted in 2011. In 2014, they continued to do the work that is necessary in order to bring charges against Mr. Rengan Rajaratnam. So, Mr. Vice-President, I say this only to make the point that these exercises and these investigations do take time. An issue in this particular case that they were referring to is:

> "…whether a trader, to be guilty of insider trading, must have known a tip was illegally disclosed in exchange for a reward. Prosecutors have argued they need only show that people who used confidential information knew it had been disclosed in breach of a fiduciary duty. But the appeals court indicated in April that that may not be enough, and the issue has surfaced in Mr. Rajaratnam's trial."

So, Mr. Vice-President, the fact is that these particular cases tend to be very technical in nature, and it is important that a proper case be built and the investigation be done in a thorough manner to ensure that justice is done fairly and equitably across the board for all parties. As to the breaches in managerial control at First Citizens revealed by the IPO, the Ministry of Finance and the Economy has moved with despatch to select and install on the bank's board of directors a solid team of experienced men and women of unparalled integrity to address these issues.

Mr. Vice-President, I wish also to mention that the Government is even now moving to strengthen the Securities Act of 2012. A select committee which convened to review the Act with a view to tightening any loopholes has ended its deliberations, and the recommendations have been laid in this honourable Senate, and we will begin the debate on that in the very near future.

Let me hasten to add, Mr. Vice-President, that the First Citizens IPO is but the first of Government's strategic steps towards continuing the development of the capital markets here in Trinidad and Tobago. The Government is also considering other additional IPOs including Phoenix Park Gas Processors, which is currently before Cabinet. Also being considered is the much-mooted merger of the TTMF and the HMB, and the possible listing of this new merged entity on the stock exchange.

What is more, Mr. Vice-President, this Government, serious and determined in its efforts to diversify the economy away from its dependence on energy, has been pursuing initiatives to further develop the financial services sector. We have already introduced back office processing, attracting approximately TT $250 million in investments and creating 1,000 new jobs over the past year. [*Desk thumping*] We have also signed MOUs with several insurance companies with a view to moving their BPO operations here to Trinidad and Tobago.

In similar vein, the Government is also encouraging the development in Trinidad and Tobago of capital market activities and several teams in partnership between the Ministry of Finance and the Economy, the Central Bank and the Government—and sorry, the private sector—have been engaged in developing plans and programmes to move this process forward.

We have also embarked upon efforts to locate Trinidad and Tobago as a dispute resolution centre for capital market activities in the region. Mr. Vice-President, we see this as providing the opportunity, particularly for our legal profession to develop quite a significant capability here in Trinidad and Tobago, and a number of new jobs in this particular area.

Mr. Vice-President, we are also laying the foundation for the further development of our capital market with a number of new legislative initiatives. These include the strengthening of our AML and CFT regime; the strengthening of our Securities Act; the introduction of the new insurance legislation—the deliberations of the joint select committee on this are almost completed; the new credit union legislation; pension reform; further capital market development as well as the development of the overall regulatory environment, including the introduction of a single regulator; the introduction of the procurement legislation—the legislation recently introduced by the hon. Minister of Planning and Sustainable Development relating to planning and development of land and the implementation of the insolvency legislation.

So, Mr. Vice-President, there are a number of initiatives going on to ensure the continued development of the economy, the continued diversification, as well as the continued improvement in Government's revenues, tax revenues, by way of taxation across a broader range of activities here in Trinidad and Tobago.

Mr. Vice-President, I just wanted to make mention of the Auditor General's report because this has come up and, of course, the whole issue of accountability is extremely important as far as the request for additional funding is concerned. Over the past two years, Mr. Vice-President, we have introduced additional resources to strengthen the capacity of the Auditor General's office particularly technological and operationally, with a view to ensuring that body's capability to ensure that the people of Trinidad and Tobago get value for money in the pursuit of transparency and accountability.

Mr. Vice-President, the Auditor General's report pointed to a number of areas such as systems and procedures, training, technology and accountability as sources of concern within Government Ministries. In particular, Mr. Vice-President, the issue of the culture and the work culture within the organizations and the various Ministries is something that needs to be addressed. This Government has identified several initiatives to improve the state of the country's accounts, and I have initiated a series of institutional strengthening and capacity-building exercises within the Ministries and departments of Government.

Mr. Vice-President, the training and retraining of public servants in areas of accounting and finance, project and procurement management through private and public institutions, both locally as well as the multilateral lending agencies such as the IDB and the World Bank will help further improve the standard of accounting throughout Ministries. Mr. Vice-President, in addition, corporate governance seminars and training remain part of the orientation for board members of all state enterprises and statutory bodies, and these are being emphasized.

Mr. Vice-President, we have also established deadlines in each Ministry to have all of the exceptions which were identified by the Auditor General properly accounted for and explained in order to ensure that everything is properly transparent as far as the operations of the Government are concerned, and the deadline which has been established for that is July 31, 2014.

Mr. Vice-President, I wanted to say something in respect of pensions, if I may be allowed to do so. It does have an impact on our overall fiscal position, and it has some implications long term for the economy. Mr. Vice-President, regardless

of a nation's size or economic status, its pension system must be financially sustainable. Around the world, fast-growing retired populations and slow-growing workforces are raising old age dependency ratios. To address this, I have put in place a programme of annual increases in NIS contributions, which commenced in 2013 and which will continue, as outlined in the 2013 budget, until 2018.

Further, Mr. Vice-President, after careful analysis undertaken by the NIB, comprehensive reform involving significant structural modification of the pension system has begun. One such reform that the NIB in collaboration with the Ministry of Finance and the Economy intends to roll out in the near future is a national insurance system designed for the self-employed persons in our country.

The self-employed continue to increase steadily with data from the CSO indicating that there were 107,000 self-employed persons in 2003; 116,410 in 2007; and 122,600 or 21 per cent of the country's population with jobs in 2011. Such increases have been encouraged by the government initiatives such as the FairShare Programme and the National Integrated Business Incubator System together with the establishing of agencies such as the Business Development Company and the National Enterprise Development Company.

In order to therefore address the specific issues arising from this, the NIB proposes to include the self-employed persons in the national insurance system, which will see them for the first time enjoying the benefits of incapacity benefits, maternity grants and funeral grants in the short term, while in the long term, benefits of survivor and invalidity benefits and retirement benefits. So over the coming months we expect to be introducing legislation dealing with this particular area into the Senate, as well as into the Lower House in order to deal with this particular matter.

11.30 a.m.

Mr. Vice-President, one of the things that we have included in this Appropriation Bill is an allocation for the LifeSport programme. As you know, the LifeSport programme is now under the supervision of the Ministry of National Security. This programme, when conceptualized, sought to teach life skills through sport to the less fortunate in our society. Cabinet approved the initiative and the LifeSport programme began in 2012 with a budget of $6 million. At that time the programme was in the planning and start-up mode with participants, coaches and venues yet to be fully identified. This was during the pilot phase of the programme. The funding was subsequently increased to facilitate the expansion of the programme from an initial three sites to 43 sites.

In order to get the programme going a loan was arranged, which has been partially repaid and the funding was included as part of the national budget. The LifeSport programme, as I indicated, was placed under the purview of the Ministry of National Security a few weeks ago. As all Members are aware, allegations are being levelled at the programme and its administrative staff, and the Minister of Sport has spoken at length on these issues. I expect that it will involve further debate in this honourable House over the next few hours, as we continue the debate. As far as the involvement of the Ministry of Finance and the Economy is concerned, the Prime Minister has requested an audit of the programme, and this is currently in train.

Mr, Vice-President, I am fully cognizant of the concerns that are in the public domain regarding this programme. We share these concerns but we have to be sure that we do not prejudge or, indeed, prejudice the work of the auditors. While I understand that time is of the essence, it is my intention, in the interest of accountability and transparency, to ensure that no stone be left unturned in the investigation of this programme. I have therefore asked that the audit of the LifeSport programme be done with complete and total thoroughness.

I expect to receive the report from the auditors within the fortnight and only then can a way forward be determined. Suffice it to say that any additional sums which may have been included here, in this particular appropriation, are yet to be disbursed, and will not be disbursed by the Ministry unless and until the Ministry of Finance and the Economy, as well as the Ministry of National Security, are assured of the legitimacy of any expenses that the funds are supposed to liquidate.

Mr. Vice-President, turning to the foreign exchange situation, as previously indicated the country has 12 months of import cover. Notwithstanding this, the market has been experiencing tightness in the availability of supply. Tightness is not the same as crisis. I want to make the point that periods of tightness in the foreign exchange market are nothing new and, indeed, have affected the market ever since Trinidad and Tobago switched from a fixed rate of exchange to a managed float. While in some circles the recent tightness in the foreign exchange market has been described as a crisis, I will dispute such a description. A foreign exchange crisis would perhaps exist if, for example, Trinidad and Tobago had, say, one month of foreign exchange or two months of foreign exchange cover but this is not so. Our foreign exchange reserves have increased steadily from $8.9 billion in 2009 to over $10 billion in 2014.

The difficulty currently being experienced in our foreign exchange market, to a large extent, seems to stem from the changes that were introduced in the allocation system. I am pleased to note that following further consultations

between the banks and the Central Bank, a mutually agreed solution has been achieved. Further, the Governor of the Central Bank has given the assurance that money will be placed into the market on a continuous basis to ensure the availability of supply.

The Governor has also indicated that the month of June is normally when there are large conversions of US currency, so that the situation should become fairly liquid in the next week. We should point out also that our steadily increasing foreign exchange reserves, as well as the country's favourable balance of trade, both revealed that there is a continuous inflow of foreign exchange into Trinidad and Tobago.

Mr. Vice-President, just to touch briefly on another matter which has engaged the attention of the national community and the economy, the issue of the sale of assets of CL Financial. I want to state now that currently—and I have done so also in the Lower House—no CL Financial assets are up for sale. In light of the enquiries made by the media, I have required and received correspondence, written confirmation, both from the chairman of CLF, as well as from the Governor of the Central Bank—which has control of Clico under section 44(d)—to the effect that there is no truth to these allegations, although I recognize, Mr. Vice-President, that given the fact that these are fairly lucrative assets, there are many who would like to place their hands on these assets, and I think it is very important therefore that we certainly convey to the national community what the current status is.

By way of letter of June 25, 2014, from the CL Financial Limited, the corporate secretary of the company confirmed, and I would just quote a piece of the letter which deals with the matter:

> I wish to indicate that the board of CLF has not sold any additional assets nor is it considering, or in the process of, the sale of any other assets, save and except, Colfire, the Colonial Fire and General Insurance Company Limited.

Mr. Vice-President, Colfire had been on the market since around the late part of 2013, and no decision has been made as far as the sale of that particular asset is concerned.

The other asset which the Governor of the Central Bank advised had been put up for sale is the W Hotel in Florida, where the lenders have been moving to realize on the balances outstanding on loans due from the W Hotel. As a consequence, the CL group had put the W Hotel up for-sale rather than face the possible further erosion of value that comes when there is a for sale by lenders. So the intention with respect to this particular asset is to ensure that we receive the highest value possible.

I also, for purposes of the *Hansard*, Mr. Vice-President, include a letter dated June 25, 2014, from the Central Bank of Trinidad and Tobago, where the Governor indicated:

> Until the valuation of the assets of Clico is completed, no assets in the statutory fund relating to the liabilities of the traditional portfolio will be sold, with the exception of lease properties which are subject to an option to purchase, and the shareholdings in Methanol Holdings Limited and Methanol Holdings International Limited, which are already the subject of ongoing sale processes triggered by an arbitration process.

So what is being said here is that we do have, in addition, the assets of Methanol Holdings Trinidad and Methanol Holdings International, which are subject to an arbitration process now ongoing, and with the exception of that particular arbitration process now ongoing and with the exception of the W Hotel, no other assets have been put up for sale by the Central Bank other than those particular assets. They did indicate also that there is also a piece of real estate in Tobago held by subsidiaries, which is also up for sale in order to replace them with strong performing assets.

So, Mr. Vice-President, I just wanted to give that particular update to this honourable House because one of the big issues for us is the fact that the proceeds from the eventual liquidation of the obligations due to the Government of Trinidad and Tobago by the CL Financial Holdings will be used to liquidate the outstanding debt obligations which currently are on the books, and which have resulted in our debt-to-GDP level being at approximately 44 per cent.

So, the intention is that these assets, once all of the legal issues have been addressed, the proceeds of these assets will be used to bring down the overall level of debt and, based on our expectation regarding liquidation, we project that the overall level of debt to GDP, once these have been put in place—the sales have been put in place—it is likely to be reduced from 43 per cent to around the mid-30s; we estimate roughly about 35 per cent of GDP. So we see a continued improvement in the overall level of indebtedness of the Government of Trinidad and Tobago.

Turning to the review of revenue and expenditure, Mr. Vice-President, you would recall that the 2014 budget projected a fiscal deficit of $6.3 billion or 3.6 per cent of GDP. For purposes of administration of the budget, an overall deficit of $2.7 billion was projected for the period October 01, 2013 to March 31, 2014. Based on actual revenue received and expenditure incurred, the central

government fiscal operations recorded a surplus of $247 million in the first six months of the fiscal year. This is a performance which is a little over $3 billion better than had originally been budgeted. This position was mainly due to lower than anticipated expenditure.

Mr. Vice-President, revenues were also lower but this was primarily due to a lower take from oil companies because of the late payment of current liabilities by one state-owned company, and the late collection of taxes from production sharing companies and other companies, as well as withholding tax, which were both related to industrial action at the Board of Inland Revenue. These taxes have since been received.

With respect to taxes on goods and services, the lower than projected receipts were under value added tax in the areas of exploration and production in the energy sector and from the impact of higher VAT refunds and excise duties. I am pleased to report that, in general, we have achieved significant progress in clearing the backlog of VAT refunds. One has to understand too how the Government accounts for the VAT and, basically, what we do is that the refunds are treated as an offset against revenue. So the clearing of the backlog of VAT refunds has actually impacted negatively on the variance that we are showing, simply because the clearing of that backlog would have been netted against the current revenues for this current fiscal year.

Overall, we have reduced the backlog of VAT by over $1 billion over the past seven months of this fiscal year, and I expect that this will continue to be reduced over the coming months. Mr. Vice-President, it is noteworthy that the shortfall in expenditure for the first half of the year was, as I said, due in part to lower than anticipated expenditures in some of the Government's capital programme. However, work has been done and, coupled with anticipated drawdowns and the acceleration of ongoing projects, there is need to ensure that funds are available to achieve the targets established for each Ministry. With respect to recurrent expenditure, actual expenditure in the first half of the fiscal year was $1.3 billion lower than projected. The primary contributors to the shortfall in recurrent expenditure came from personal expenditure, other goods and services and interest payments.

Mr. Vice-President, I turn now to the actual funding being requested. These supplementation and variations came about as a result of the mid-year review of recurrent expenditure and capital expenditure of the PSIP, which was conducted by the Ministry of Finance and the Economy, the Ministry of Planning and Sustainable Development, in collaboration with other Ministries and departments. The Finance Committee of the House of Representatives agreed to the proposals and the House, as I indicated, passed the Bill on June 25.

11.45 a.m.

There are a few areas I would like to discuss generally, and I will, perhaps, summarize it by saying that the total appropriation outlined here is $3.8 billion; of this, $1.02 billion goes towards the payment of salaries, NIS, COLA, allowances, stipend, travelling subsistence and arrears for public servants. It also includes the settlement of the collective agreement for over 20,000 daily-paid workers. So $1 billion of the $3 billion, Mr. Vice-President, is to settle collective agreements, including the collective agreements for the daily-paid workers.

Mr. Vice-President, $1.6 billion is carded to go towards infrastructure development; $1.2 billion is in the IDF—approximately a little over $1.2 billion via the IDF, the Infrastructure Development Fund—and a little over $300 million via the PSIP. This $1.6 billion, approximately, is to be used for such major projects as the Diego Martin and Point Fortin Highways to bring relief to hundreds of thousands of commuters on a daily basis, and I will expand a little bit more on some of the appropriations which we will make through the IDF.

Perhaps, Mr. Vice-President, I also need to make a point about transfers and subsidies at this point. You would see that in the appropriation, approximately $1.6 billion in the Ministry of Finance and the Economy represents transfers and subsidies. However, I should point out that transfers and subsidies include transfers to the IDF, transfers to the Heritage and Stabilisation Fund, and various other similar transfers which represent savings and investments for the future.

Sometimes when we look at transfers and subsidies, we assume that it is all for consumption. In fact, $1.2 billion of the transfer is really for capital expenditure projects which is included under transfers and subsidies, and another $300 million, approximately, included in there represents payments which have been made to regional governments, in relation to the settlement of the BAICO collapse, which has significantly affected these economies.

Overall, I think I just needed to make that point as far as transfers and subsidies are concerned, given the fact that there is the concern regarding current consumption in some quarters. What I would say is that of the $3.8 billion, $1.6 billion represents capital expenditure. A little over $1 billion represents payments for backlog of salaries, wages and so on, that need to be cleared; and approximately $1.2 billion will be spent on the needs of various Ministries, particularly the Ministries of Housing and Urban Development, Water Resources, Health, Land and Marine Resources and National Security.

Mr. Vice-President, during the period under review, several Ministries had very good utilization rates, and these Ministries have asked for additional funds. I will just enumerate some of these requests, most of which are included under the $1.2 billion for the IDF which, as I said, are treated as transfers and subsidies.

The Ministry of Food Production—we have allocated a further $20.7 million for the Food Basket Road Programme and for the 15 large commercial farms. For the Ministry of Education, we have made a further allocation for the following priority projects, which includes eight primary schools scheduled for completion during the course of this month, as well as refurbishments and extensions to 14 primary schools and 17 secondary schools, which are under construction, as well as for procurement of furniture and equipment.

A further allocation of $160 million has been made for the Ministry of Works and Infrastructure for the dualling of the Diego Martin Highway from Acton Court to Victoria Gardens; for the award of the construction of the overpass at the Curepe interchange, under the Port of Spain East-West Corridor transportation project; emergency repair works where landslips have occurred, particularly at Upper Christian Drive, Plaisance Park, and Irie Village, Princes Town; and in addition, to continue the bridge reconstruction programme.

The Ministry of the Environment and Water Resources has received an additional allocation for its multiphase wastewater rehabilitation programme in Malabar and in San Fernando.

Mr. Vice-President: Minister of Finance and the Economy, you have an additional five minutes.

Sen. The Hon. L. Howai: The Ministry of Tertiary Education and Skills Training has received a further allocation to complete the construction of the drilling school at Ste. Madeleine, the UWI south campus, the UTT main campus and open campus, the construction of the admin headquarters and the training facilities at Woodford Lodge.

Similarly, the Ministry of Housing and Urban Development has received additional funding for its residential programme. The Ministry of Health has received $60 million for the procurement of major medical equipment for the National Oncology Centre, and the Ministry of Energy and Energy Affairs has received an allocation to make phase one of the Galeota Port operational. So, Mr. Vice-President, as you can see, a lot of this expenditure is investment in infrastructure and future development and upgrading of our country.

Last year, Mr. Vice-President, I had announced total expenditure of $61 billion with revenue of $55 billion, yielding a deficit of $6 billion. This Supplementation and Variation of Appropriation Bill will now increase expenditure by a further $3.8 billion. The good news, however, is there is also a projected increase in revenue of $4.5 billion. This, together with the impact of savings and adjustments within heads of expenditure will result in a decrease in the projected overall deficit on fiscal operations, from the 6.3 billion identified in the budget to $5.8 billion.

So what I am saying is that the original budget deficit was $6.3 billion; with this appropriation, because of the increased revenue, our actual deficit goes down to $5.8 billion. Mr. Vice-President, again, I think the Government has moved to continue its work programme, but in a context which ensures that it is sustainable.

Mr. Vice-President, in closing, I want to emphasize the continuing strength of our economy; our position of prominence and pre-eminence in the region; and the international recognition which we have as a nation, something that we lose sight of too frequently. Our economy continues to grow. Our economic buffers in the Heritage and Stabilisation Fund and in our external reserves are strong. Inflation is well contained. Debt levels are manageable and we expect these to go down over the medium term. And more people are employed today than in 2010.

Of course, there remains much to be done in improving efficiency and effectiveness at all levels within our society, and much improvement is required in the quality and timeliness of services offered by public bodies. While unemployment is well managed, underemployment remains a challenge and new approaches for dealing with crime are required. Many of these problems represent the inheritance of generations of inaction, and cannot be cured overnight, but they can be fixed with the right resolve and with persistence.

Our economy today remains the best performing in the region [*Desk thumping*] and the envy of many of our neighbours. We need to build on these successes as we enter this new phase of growth and expansion, and as we seek to ensure the equitable distribution of the wealth generated for all.

Mr. President, I beg to move.

Question proposed.

Sen. Dr. Lester Henry: Thank you, Mr. Vice-President. As we begin this debate again, I will concentrate, as I always do on these types of Bills, to point out the continued mismanagement of our country's affairs, regardless of the nice-

sounding rhetoric of the Minister of Finance and the Economy. I mean, he tries to put a good spin on things, but you cannot set fields for bad bowling, and regardless of what kind of rosy picture the Minister paints, we have to deal with reality in this country, and the country is in a mess. [*Desk thumping*]

I have said it before that this Government continues to portray itself as having a virtual commitment to bad governance and mismanagement. I cannot see any conclusion otherwise. After I am finished with you here, I am sure some of them might even agree. The mismanagement of our affairs started way back on May 25, 2010 and it has continued. So let me just debunk some of the pretty-sounding rhetoric that we just heard.

In terms of the international economic environment, one of the first things I want to point out is that we have had a relatively good economic environment internationally over the past four years. This Government is claiming that they have been so good and done so well, and they have never had to deal with a crisis. In addition to having some of the best energy revenues over a four-year period of any government, oil and gas prices have been excellent, compared to any kind of challenging time, and the figures are there.

If you could look at petroleum prices, 2008 of course was an exceptional year and the biggest single revenue year for the country. People saw that when oil prices hit, at some time during that year, over $140 a barrel, so it was exceptional. But the overall average listed by the Central Bank was about $99.6, and that was the highest growth rate, I believe, ever recorded in the history of this country, somewhere over 12 per cent. Sorry, not in that particular year, that highest rate was slightly before that, but it was significantly high. It is the highest GDP that we ever attained.

In that year, if you could look at energy prices 2009, the year of the international financial crisis when everyone is familiar with what happened, oil prices averaged $61.7. So 2010, things started to rebound on the international environment and oil prices averaged $79.4. Then in 2011, $95.1; 2012, $94.2 and last year $97.8. So you have had very good oil prices over the period that you have been in government. You have never had to deal with a crisis.

If you go to gas prices, you get a similar story in terms of the low price of—somewhere around the crisis, and over that period, for the most part, with minor exceptions, you have had very good natural gas prices. You have had very good methanol prices and all of the major commodity exports of the country have shown very good prices over the past four years.

12 noon

So in the context of that, where your revenue has been very good, and at the same time—which I will expand on later, Mr. Vice-President—you are borrowing like mad; you are on a rampage borrowing money all over the place—[*Interruption*]

Sen. Al-Rawi: Left, right and centre.

Sen. Dr. L. Henry:—in the context of these high revenues, relative to previous Governments—with the exception of one or two years, as I pointed out before in 2008—no other Government has had the kind of revenue that you have had, and yet you still make a mess of it. All right?

Sen. Al-Rawi: Even by mistake it should have been—

Sen. Dr. L. Henry: Yes. As I said two months ago when I warned during the debate on the Finance Bill back in April, which I will come back to again—[*Interruption*]

Sen. Dr. Tewarie: In which reality?

Sen. Dr. L. Henry:—you have—yes—even by accident something should have happened—[*Interruption*]

Sen. Al-Rawi: Exactly.

Sen. Dr. L. Henry:—other than the measly 1 per cent and 1.5 per cent growth, you know. It is because of your unproductive spending [*Desk thumping*] and mismanagement. And I am sure my colleagues here could talk for weeks about different areas where you have spent money [*Crosstalk*] that has no—I will get to you later. [*Laughter*]

Sen. Al-Rawi: "He planning for yuh."

Sen. Dr. L. Henry: Yeah. The last time you provoked me. All right.

Sen. Dr. Tewarie: I provoke you?

Sen. Dr. L. Henry: Yes. So, they have engaged in so much wasteful spending, so much unproductive spending—yes, struggling. The Minister comes here today, once again, as though it is a figure that any Minister of Finance and the Economy in the Government sticks to—2.5 per cent growth this year. We heard that in 2010, we heard it in 2011, we heard it in 2012, we heard it in 2013, some figure like that. Either somebody in the Government was quoting 2.5 per cent. If it was not the Minister of Finance and the Economy it was somebody else,

because all of them like to quote—pretend they are economists and quote all kind of figures that are wrong and so on. [*Laughter*] So, you always hear this lofty set of predictions from all kinds of people in the Government, you know, and sometimes they go in the Lower House and repeat the nonsense, and they go in front the media, and people do not check. You have not achieved 2.5 per cent economic growth at any stage, so why are you still harping on this pipe dream or trying to fool the public, as usual?

In 2010, the final figure we have here was .2 of 1 per cent; 2011—when you promised to turn the economy around, as we always remind you—negative 2.6 per cent.

Sen. Al-Rawi: Negative.

Sen. Dr. L. Henry: Negative, that is the only time you ever reached that kind of high figures, in the wrong direction. [*Laughter*]

Sen. Al-Rawi: In reverse.

Sen. Dr. L. Henry: Okay? So, 2012, 1.2 and that is a very generous estimate, "eh". And now projecting for 2013, according to your same Central Bank statistics here, this is the latest one, March 2014, Summary of Economic Indicators—right? So, you get 1.6 being projected. As what would have come in 2013, in that year you projected 2.5 per cent as well—some one of you. And do not jump up and say "it was not me", you know, somebody else already said that, of less——[*Interruption*]

Hon. Senator: Worth? [*Laughter*]

Sen. Dr. L. Henry: It will work in the Government, it would not work in the public domain.

So, Mr. Vice-President, what we have is a situation where the Government comes and pats itself on the back and talks about all these lofty, positive, strong macroeconomic indicators, when that should be a "no-brainer" given the kind of situation that you have had to deal with in over the past four years in terms of the positive revenue flows and so on. So there is no reason to be patting yourself on the back to say, well, okay, things in the Heritage and Stabilisation Fund went up from $4.5 billion to $5 billion.

Sen. Al-Rawi: Thank God we have gas.

Sen. Dr. L. Henry: Right? That is because of the law, you had to put the money in there, and you borrowed to put in, which is nothing to be proud of. So, you borrowed to put the money because they are running deficits.

Sen. Al-Rawi: Explain that to them.

Sen. Dr. L. Henry: I tried it many times, it does not work. [*Crosstalk*]

Hon. Senator: Is it that they do not understand?

Sen. Dr. L. Henry: No. I mean, it is not I am saying this, it is in the IMF report as well. [*Crosstalk*] So they pretend that they did not see it, you know? They do a "Sergeant Schultz. I did not see that". Okay?

So, why are you pretending to come here and fool the country about your excellent economic management, when the record is simply what I said way back in one of our first debates in 2010? That some Minister on the opposite side referred to oil and gas as a curse. I remember it very clearly, and I stood up and I said, that is what is going to save you because we knew that you were not capable of managing anything properly.

Sen. Al-Rawi: Precisely.

Sen. Dr. L. Henry: So you would have had to just come back and rely on the same oil and gas prices, like we always knew would be the case. And to top it up, in the four years we have been in this session all you can come and talk about is expenditure. The previous Minister of Finance had it particularly badly. I think he forgot that there was a revenue side in terms of a Government's ability to generate revenue, and all you come and talk about is, well we are going to spend X on this, and X on that, just spending. In fact, when you looked at the budget speeches, many times the revenue was mentioned very, very few times compared to expenditure, probably by a margin of eight or 10 to one; you can do the word count. Okay?

So what we have is a Government who has a very good situation. Like I said, you never had to deal with oil prices hitting $60 below, none of your budgeted prices. None of the energy prices have gone below budgeted, where you really had to do something. And in the context of this very buoyant situation, relative to what happened in 2009, you have managed to keep borrowing and spending and spending more and more without anything to show for it.

Now, one of the main things—I will get to the unemployment thing in a bit—I think I still have a little—all right. So this growth figure that you keep brandishing about of 2.5 per cent, I mean, be serious, you know. Stop that. You have never shown any ability to do that, and the problem now is, if you come up with a figure of 2.5 per cent sometime later this year, we are not going to believe you because you have a way of finding things that make you look good, and then

when we question where you got it from, you know, you have some Ministry of Finance and the Economy person or somebody under the purview of the Government, no independent CSO to confirm anything. In fact, the same Minister has succeeded in absolutely obliterating the CSO. All right? The same Minister who promised to reform it and fix it and so on, two years ago—[*Interruption*]

Hon. Senator: Since 2010 they talking about that.

Sen. Dr. L. Henry:—let him stand up later on and be proud of his accomplishment at the CSO.

Sen. Dr. Tewarie: Yes. I will stand up and I will tell you what I have been doing.

Sen. Dr. L. Henry: No. You are always going to say what you are going to do; tell me what you have done.

Sen. Dr. Tewarie: I will tell you what we have done. [*Desk thumping*]

Sen. Dr. L. Henry: Two years ago you went to the press and said you were going to fix the CSO.

Sen. Dr. Tewarie: What have you ever fixed in 20 years?

Sen. Dr. L. Henry: Then you, in fact—the whole place collapsed after you made that statement.

Sen. Dr. Tewarie: The whole institutional capacity—[*Crosstak*]

Mr. Vice-President: Hon. Senators, please. Please.

Sen. Dr. L. Henry: Okay. I will take your advice, Mr. Vice-President.

Mr. Vice-President: Hon. Senators, please let us pay respect to each and every one that is making their contribution. Your time will come when you will have an opportunity to reply. So, please allow the Senator to make his contribution. Sen. Henry.

Sen. Dr. L. Henry: I will be advised, comrade and Mr. Vice-President.

Yes. So, they have basically destroyed the CSO as a viable entity. [*Desk thumping*] I have outlined, over and over again, all of the problems where people are not going to work, there is no office for them to go to. They have been planning to do all kinds of things every year. Then they come with a story, every time I raise it here, "oh, well we are going to do this. By next month we will have that" and so on.

Hon. Senator: Soon.

Sen. Dr. L. Henry: All kinds of mumbo jumbo, and the place continues to deteriorate. Before this said Minister took over, former Minister Mary King came and boasted about the census—[*Interruption*]

Sen. Al-Rawi: CSO and June—

Sen. Dr. L. Henry:—and how it was going to be updated to the most modern thing, and all kinds of flowery language. Four years later—nothing. And at the same time in the Central Bank they have developed a statistical department; something that we knew about before. Right? And now a lot of the government statistics are coming from the Central Bank rather than the CSO, where the people who were trained, and the professional people, to do these things like GDP and so on, to do those types of calculations, those are the people there. Last year we had the Ministry of Finance and the Economy bringing out GDP estimates, unheard of in the history of the country. So what I am saying, so even if you come up with a flattering looking figure sometime later this year, you are going to have a hard time convincing anybody that it is "legit"—and I am only warming up, "eh".

So, you come and you mismanage the affairs of the country, you get very good oil and gas revenue, you borrow on top of that, you spend money like wild, and then you could claim all the figures look good. You are not fooling anybody. Well, you might be fooling yourself, but not us. Okay?

I will just move now to dealing with one of those figures—this lofty 3.7 per cent unemployment—[*Interruption*]

Sen. Al-Rawi: Fabrication.

Sen. Dr. L. Henry:—that the Minister boasted so proudly about. Okay? Now, we are really to believe that 3.7 per cent unemployment is a serious reality in this country? Now in case the Minister—well the Minister did try to make some allocation to CEPEP and URP, so I guess he had warning that do not jump out there and talk about 3.7 per cent as though this is some kind of private enterprise and expansion of economic activity that is resulting in this low unemployment. This is all about government spending and make-work programmes and not dealing with reality. Even if we were to believe that it is anywhere close to that, which we do not, it is all about that. That is your plan. In fact, that is your economic plan, especially until next year, to try to create employment for everybody under the sun—bring it down to zero and feel good. By make-work programmes, by giving people contracts for two years and so on—we know what you are up to—there is

no private expansion taking place. And the CEPEP—I will quote the Minister's favourite economist, his colleague and good friend Dr. Roger Hosein. Yesterday in the *Guardian,* without CEPEP and—[*Interruption*]

Sen. Dr. Tewarie: You have anything against that?

Sen. Dr. L. Henry:—Dr. Hosein is my colleague, and I am sure—I know you are quite familiar with him—he disagrees, 10 per cent. It says, unemployment over 10 per cent, if you take out CEPEP and URP. The unemployment rate to over 10 per cent, if you take out the programmes—I am not reading it directly—CEPEP and URP. Right? These are two programmes that you lambasted when you were in Opposition, that you talked all kinds of negative things about.

Sen. Al-Rawi: I would not remind him.

Sen. Dr. L. Henry: I am sure my colleagues here could remind you in greater detail, I will focus on other things.

Sen. Dr. Tewarie: That is the first speech you gave the first time you came here—[*Laughter*]

Sen. Dr. L. Henry: Like you all did not hear it.

Sen. Al-Rawi: "Repeat it, boy, stick break in dey ear."

Sen. Dr. L. Henry: You all did not hear it, you see. So, in other words, you could repeat nonsense ad nauseam, and when I am talking facts I will repeat it too.

Sen. Dr. Tewarie: Do not say the word "facts" as what you are speaking about.

Sen. Dr. L. Henry: But you just said, this is your colleague, [*Crosstalk*] the Government's major economist. You all put him on the Central Bank board, I am familiar with his work—my colleague.

Sen. Dr. Tewarie: "Yuh jealous"?

Sen. Dr. L. Henry: No, he is no longer there. Go and ask the Central Bank Governor why he is no longer there. Okay?

So unemployment rate over 10 per cent. Now these are what you did. You doubled URP, you doubled CEPEP, and this was some time back, so it is actually even more than that. So, your unemployment rate is bogus.

12.15 p.m.

So, the CEPEP and URP programmes you have continued. Now, in fact, if I am not mistaken, there are about three different divisions of URP now—URP Social, URP Business, whatever, Housing, whatever, you know, so you have created tremendous make-work programmes. Included in this is none other than the LifeSport Programme. I wonder if anyone on the opposite side would tell me if these people are being counted as employed? The people are getting $1,500 or $3,000.

Sen. Robinson-Regis: Yes, they are.

Sen. Dr. L. Henry: Right. I just wanted them to confess, but none of them did.

Hon. Senator: No, he says. [*Laughter*]

Sen. Dr. L. Henry: Because you do not own up, you do not own up. So, LifeSport—in fact, during my absence I checked the news online and saw some lady talking about people making a jail so they are still considered unemployed because, you know, the man did not show up to work today, it is not because he was sick or anything, he was just making a jail so they are holding the job for him when he comes out of jail.

This was said in the newspapers. So, these people are being counted as being employed. I mean, that is really a nice one. And you sit down there and you all pretend it is because of your excellent economic, management skills. What is this? Also, and slightly on a more technical note, you expanded the GATE Programme, again, so you have created what economists call a lot of hidden unemployment. So, people going to school full time are not being counted as being unemployed. That is what you also did.

Sen. Dr. Tewarie: That does not happen in the US with 1,000 universities?

Sen. Dr. L. Henry: So, the Minister also talked about—[*Interruption*]

Sen. Cudjoe: You will have your time to speak, take your notes, nah. [*Crosstalk*]

Sen. Dr. L. Henry: We started it, do not go there. Do not mess with me, you know.

Sen. Al-Rawi: We will stop you.

Sen. Dr. L. Henry: You see the Minister of the Environment and Water Resources, he knows—you see, he is staying quiet.

Sen. G. Singh: I am listening to you.

Sen. Dr. L. Henry: Okay, take a cue.

So, hidden unemployment—[*Laughter*]

Sen. Maharaj: All the time you are asking for feedback now you getting feedback. [*Crosstalk*]

Hon. Senator: "Yuh wearing de wrong tie today."

Sen. Dr. L. Henry: This is my power tie. So, we understand along with the expansion of GATE and so on, which you complained about, as well, you have driven down the employment rate artificially in the sense that you could claim this 3.7 per cent.

Now, this squares—one of the reasons. This does not make any sense. This squares with the information provided in your own Central Bank Monetary Policy Report, on page 22 of the monetary policy report.

Sen. G. Singh: What year?

Sen. Dr. L. Henry: The latest one, March 2014: retrenchment notices are up by 14.8 per cent in the first quarter of 2014 over the first quarter of 2013. Retrenchment notices. So, who is retrenching people, not the Government?

Sen. Al-Rawi: Ghost retrenchment.

Sen. Dr. L. Henry: No, you are not retrenching, you are hiring everybody. You have a hire-on-site policy. [*Laughter*]

Hon. Senator: Why do you not read the last line, labour shortage?

Sen. Dr. L. Henry: No, no, I have read it. They talked about in the absence of proper data and so on. I wanted to tell them, well, why do they not talk to the Minister of Planning and Sustainable Development?

Sen. Maharaj: Read the last line.

Sen. Dr. L. Henry: You read the above line. Oh, well, in the absence of proper data what we have here—[*Interruption*]—so, of course, this is your boy writing this.

Sen. Maharaj: Why, you do not read the last line?

Sen. Dr. L. Henry: If you check last year's monetary report a similar line was there too, eh.

Sen. Maharaj: You check to see in the last line, to see if they say monetary report or labour report?

Sen. Dr. L. Henry: Yes.

Hon. Senator: Labour shortage. [*Interruption*]

Sen. Dr. L. Henry: No, because they say private enterprise companies financed real estate, and they mentioned where the retrenchment notices are. [*Interruption*]

Sen. Al-Rawi: Take notes.

Sen. Maharaj: I am, rest assured.

Sen. Dr. L. Henry: So, what you have also worrying about this Government, as I mentioned before, is the issue of the off-budget spending. A serious problem. You are not being true to the country in terms of the actual amount that you are spending.

Sen. Al-Rawi: That is right. [*Desk thumping*]

Sen. Dr. L. Henry: There is a serious lack of transparency in how you are operating. You are not taking account of a lot of off-budget spending that is going to accrue as debt later on.

So, you have developed a terrible practice which has seen the ruin of several Caribbean economies including none other than Jamaica, where the Government pretends to be having things under control by saying your budget deficit is only $2 billion or $3 billion, or $4 billion as the Minister pointed out, but a year or two later on we get to find out that it is a lot worse because you spent a lot of money that was not in the actual budget. The Minister of Finance and the Economy can correct me on this one, if I am not informed properly, about the Government running overdraft accounts with even commercial banks. No, not happening? [*Interruption*] No, not the central government directly, the state enterprises.

Hon. Senator: Oh, the state enterprises, yes.

Sen. Dr. L. Henry: Not the central government. Okay? And then you run up huge debts through that way and then you raise money through a bond to try to pay it off.

But, we are not saying that it has not been done before. You did not invent that one we know, but you have taken it to a different level. That is my point. Not that other Governments did not do it before, you have taken the off-budget spending to a different level and we will see it in future accounts.

Now, in the Finance Bill, again, in April, I warned about, based on just a cursory look at the numbers, you would have borrowed close to $17 billion or $18 billion over the past 12 months. [*Interruption*] Yes, go look at the bonds issued. It is not all of it. Some of it was liquidity bonds and so on, but you can minus that and it is still a huge number. So, not all of it was for direct spending, but it is a huge number anyway. So, even if you minus the liquidity bonds and so on, it is still coming up to above $10 billion.

Hon. Senator: We will correct you.

Sen. Dr. L. Henry: Your loan from the Citibank is already significant. All of the bonds issued for NIPDEC—LifeSport late November last year, that was almost $500 million; then there was a $3 billion bond that, we are not sure what you did that for, actually. But, in fact, in the private sector and all, people are wondering. [*Interruption*] Yes, around late October to early November. So, now when you add up—and the Chinese loans that you were supposed to be negotiating, we assume they are somewhere in the pipeline, and then you are coming with the $2.5 billion bond just now. I know about that too. It is not in the public domain yet.

Sen. Al-Rawi: Nah, say it is not so.

Sen. Dr. L. Henry: I know about that too. Let him deny it.

Sen. Robinson-Regis: He cannot.

Sen. Dr. L. Henry: I like that smile.

So, what I saying is that you have these good energy prices and you have good revenue flows, you are borrowing like mad. So, of course, you could just "struuu" and that is the attitude. Throw money at every problem and believe that, somehow, you could pat yourself on the back and say that is good management. We are here to remind you that, no, that does not make sense.

So, we have information; we have enough to deal with in terms of your crazy spending and not coming up with significant revenue generation, and, of course, add to that, the incentives given to the oil companies, so that will have at least a temporary decrease in royalties paid back—maybe I am not using the right word—in taxes paid back to the Government.

I think in one of the debates the Minister was asked, well, what was the estimate of the revenue foregone by giving these additional incentives, and he came up with a figure of something like $1 billion. So, you are going to have

revenue foregone with the incentives that you have thrown out, and you have thrown out a lot of incentives over the past four years, eh. I mean, starting with Minister Dookeran and coming forward.

So, you have been borrowing in a very mad rampage. The first time we were wondering what would happen the first time that you really have to face a crisis. If this country was to really experience $61 oil price under this kind of spending, all of you would have egg on your faces very quickly, because there is no catering for that. It is as though you know you are going to be out next year so just spend everything and leave a thorough mess of everything. [*Crosstalk*] You leave a thorough mess behind, you know, it is like if you are adopting a poisoned-chalice approach, scorch it, mess up everything and then leave it behind for somebody else to clean up.

Sen. Dr. Tewarie: My God, you could say that?

Sen. Dr. L. Henry: Yes.

Sen. Dr. Tewarie: Oh, God, shame on you.

Sen. Al-Rawi: That is the kind of rat behaviour people were talking about recently. [*Laughter and crosstalk*]

Mr. Vice-President: Hon. Senators, please! Please! Allow Sen. Dr. Henry to continue. Let us conduct ourselves, please. Senator, you may continue.

Sen. Dr. L. Henry: Okay. Yes, I will continue. Yes, Mr. Vice-President, we have no illusion about how you are managing the country's affairs and I would go into one or two specific areas.

Of course, the Minister gave me the opening when he talked about the Central Bank and the foreign currency crisis. I mean, to begin with, I raised this matter on the Finance Bill as some of you may remember immediately in the beginning of April when the change was published very quietly in a very small article in one of the daily papers, and I warned the country that that was not an insignificant matter. In fact, very near to the end of my contribution on that Finance Bill, I said we will look to see what would happen over the next few months, because something does not sound right with that change in that allocation system that was announced April 01, of all things. And we lived to see it happen.

So, you know if you all had any real sense you would listen to me. Not just nod and agree with me. You cannot do that, because you have to pretend I am not making sense, but then you go quietly and you look back and you see, yes, I warned you about these things, that the change in the allocation system took place within about six weeks after I warned about it, beginning in the middle of May.

As a responsible Opposition we brought the issue to the public. The small businessmen, the small people were going and getting denied $15, $20, and no one was taking them on. We raised the issue at a press conference and then immediately we saw all the response from the Government and the Central Bank. Oh, yes, it is not a shortage it is just a little issue here, and all the kind of spin started to come out, when we know, as the Minister correctly said, yes we have a large amount of foreign reserves, so then why would businesses and ordinary people be caught in such a difficult situation where importers cannot pay for their goods and we run the risk of getting higher prices and creating an economic mess in the middle of what should be a very good comfortable situation.

So, this was squarely, as I said some time ago, an own goal, again, scored by the PP Government via one of its appointments; an appointment that we know that I raised issues of, another questionable appointment at the Central Bank, that we have come to suffer from. It is the same thing with all your other bad appointments. You have a Central Bank Governor "playing dolly house" with something as sensitive and serious as your exchange rate.

12.30 p.m.

I will expand on that, because when the crisis hit and the Chamber went public—after the Opposition put it on the map and complained that this could be disruptive to the economy; once again, another PP own goal, just like the foolish state of emergency and all the other missteps. So you had this situation created out of nothing where we were supposed to be coasting along very well with good foreign exchange reserves and "oops" they decided to create a crisis, completely artificial, unwarranted and foolish.

So you had people running the risk now of not getting their supplies, getting their trade credits diminished and so on. Initially, the Minister said, "well there is no real issue because you know it is a little change and if you do not get it here by bank X go by bank Y and so on". Come on, that could not have been a serious response, because we know that the people were feeling the pinch, and when we checked around there was no consultation with anyone. There was no consultation with the bankers and the manufacturers.

This change was implemented, by the own admission of the Minister opposite me now; this was something that the Central Bank Governor did on his own; no proper research, nothing went into this decision, no checking of any facts, and to see the impact on the market—and somebody will jump up and tell me a paper was done. I know about that paper too, so do not try that, okay? [*Crosstalk*] Yeah, one of his friends did a paper, right, okay?

So they would have gone through a list, again, and put the country's economic fortunes in jeopardy because of another bad appointment, somebody who does not know what he is doing, and as I said, playing around with a serious matter. So after we came out and made noise and said this was really silly, he got rebuffed by the chamber when he went to address them a couple of Fridays ago, and they basically said we are not buying any of your nonsense. You have disrupted the system that was in place for 21 years and you have offered no sensible or logical reason as to why you did it.

The current Minister of Finance and the Economy would have been an expert on how the system worked. He was part of the banking system, he was involved in it. So it is kind of amazing that something like this would happen under his watch. He was part of the implementation of the system for 21 years, or just about 21 years. He left last year, so it may be 20. So he would have been familiar with it. And I am sure if he was truly informed he would have tapped the Governor on his shoulder and said, "do not do that".

Sen. Robinson-Regis: He probably did.

Sen. Dr. L. Henry: Yes, he might come and tell me, well you know I did, "but he ent take meh on. He did not take meh on, just like when I said I going to sell Clico assets". And he quickly put an ad in the papers telling me, get lost. Just imagine a sitting Governor of a Central Bank doing a press release telling the Minister to get lost. This is what we observed in this country. Do not pretend you all did not see it—and signed the press release for himself. Not the PR person. You can go back and check the newspapers if you all did not see it, the *Guardian*, the *Business Guardian* to be precise, a few weeks ago. And I did not get to Clico yet.

So what you have is a situation where this act of complete irresponsibility on the part of the Governor of the Central Bank, seemingly without any consultation with anyone that could have so severely damaged our economy, has just gone like everything else, no reprimand, no nothing. And, to think of it, to make matters worse when we did—around the time, about a few weeks after when the matter was gaining heat—lo and behold one Wednesday night into Thursday, we heard that the exchange rate had appreciated from 6.46 to 6.34, in one night.

Sen. Al-Rawi: Magically, magically.

Sen. Dr. L. Henry: So, in fact, I got a message late Wednesday night telling me that the TT dollar was going to be revaluated—appreciated to—forgive me when I use appreciation or devaluation, you know, I know the difference, so do

not go there, okay, so do not go there—[*Laughter*] so regardless of the language, okay? So when you do that overnight—in fact, when I saw the message I thought this was something that was going to be done gradually over six months or a year—overnight.

So again, you see an individual acting almost as if there is no accountability, there is no reprimand, there are no consequences; this is crazy. You do not appreciate a country's currency by 10 cents, or whatever, overnight. It took four years for the TT dollar to go from around 6.34 to 6.46, and in one night you reverse that with an injection of $30 million into the banking system that was geared towards meeting the small individual needs of $15, $20 and $30. It was as though it was a knee-jerk response to the Leader of the Opposition saying on the platform that he knew of one incident where the lady was complaining of not getting $15. So you do that, okay, I will show you. And not only that, you revalued the rate to the rate around the time when the Government came into power, four years ago, as though you are trying to send a political message as well. Playing politics with a serious matter like that.

Now, and as I was saying, it is as though this individual you have as the Governor feels he is a one-man show. He does not have to consult even the Minister apparently. Just does anything he wants, because nobody will rein him in. And to further that point, has any one of you looked at the Central Bank website recently and seen the Board of Governors?

Hon. Senator: No.

Sen. Dr. L. Henry: Or what purports to be a Board of Governors? First to begin, you have turned the Central Bank into a laughing stock soon after you came in, expanded the Board to around 17 people, you added about 10 members—right?—because you felt that was the way to control the sitting Governor at the time, to harass him, or whatever you wanted else—what was the objective? A lot of you sitting here do not know anything about this because it was not your decision. I know where it came from.

So you expanded the Board to turn the Central Bank into the laughing stock of Central Banks in the world by having the biggest Board probably in the history of Central Banks. Staffed the Board with all kinds of people who were minimally qualified, and I know them. Some of them were my students at UWI. Five students, just little boys, put them on the Board because you wanted numbers, so you figured you could exert pressure on the sitting Governor at the time. And you know, if some other Government comes and does that to the current Governor, I will hear all of you screaming.

So now that you have your Governor in place two years now, you know what the Board is? Five people.

Sen. Robinson-Regis: "Whey dey gone?"

Sen. Dr. L. Henry: Everybody else has gone. The Governor, two Deputy Governors, two members.

Sen. Robinson-Regis: That is the current Board?

Sen. Dr. L. Henry: That is the Board.

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. C. Robinson-Regis*]

Question put and agreed to.

Sen. Dr. L. Henry: [*Desk thumping*] Thank you, Mr. Vice-President. Thank you colleagues. I noticed nobody clapped on that side.

Sen. Al-Rawi: "Nah, nah", somebody—[*Interruption*]

Sen. G. Singh: I.

Sen. Robinson-Regis: Somebody said that.

Sen. Dr. L. Henry: Who said that?

Sen. Al-Rawi: The Leader of Government Business always does.

Sen. Dr. L. Henry: You see, they should learn from you, you know. No, I want you to provoke me, but he does not. You see how smart he is, because he knows I know a few things he would not want me to say. [*Laughter*]

Hon. Senator: Say it, say it.

Sen. Dr. L. Henry: Why is Bridgelal not in WASA again? Answer me.

Sen. G. Singh: [*Inaudible*]

Sen. Dr. L. Henry: Okay, good. All right, you see, then the supplemental would be, why did you fire him? Okay, seriously, but let me continue since I have some important matters still to put out there. So, yes, you have this Central Bank which is basically operating without a Board—[*Interruption*]

Sen. Robinson-Regis: How long was that?

Sen. Dr. L. Henry: No, I saw it just recently. So apparently as soon as the term of the people they appointed expired, they just never replaced them.

Sen. Al-Rawi: Lapsed.

Sen. Robinson-Regis: Five people.

Sen. Dr. L. Henry: So, the problem is not just five, it is not just there are five people: the Governor is one, the two Deputy Governors, and the PS of the Ministry of Finance and the Economy, and the other one is Mr. Greaves who was appointed—his term has not expired as yet. So if his term expires within the next few months there is effectively no Central Bank Board. And we know that the two Deputy Governors have been sidelined, they have been constructively dismissed in the sense that they do not do anything, he has taken all responsibilities away from them. And anyone who wants to challenge that is free to say so, but we know that. So basically the point I was making, this is a one-man operation.

Sen. Al-Rawi: What he used to do there before?

Sen. Dr. L. Henry: A junior economist. So what I am saying is that, how could you have this in a serious Government in a serious country? It is nonsense. So therefore, you have a situation where the Government is allowing the Central Bank Governor to run the place like a parlour. I can go into further details about all the scandals taking place there, but I do not have time for that. What is also frightening, as the Minister just pointed out himself just a few minutes ago, this is the man who is basically in charge of all Clico's CL Financial assets. The same man who gave us the foreign exchange mess.

The Minister just said here in this Senate that he has control over it and he quoted the section of the Central Bank Act. So this is the same man. So what do we expect?—and we have already seen the direction when I made the comment about the hiring of Mr. Dingwall at the Central Bank from Guardian Life—overt, blatant conflict of interest under anyhow you could describe conflict of interest, and the Government says nothing. There is an already employed in-house actuary in the bank which the Governor boasted about, but prior to that there was almost a whole actuarial unit in the bank. So what do you need another actuary for and especially somebody coming from Guardian Life who has expressed interest in buying the Clico portfolio, and you bring a man from Guardian Life to advise on how to sell the Clico portfolio?

Sen. Robinson-Regis: To sell it to Guardian Life.

Sen. Al-Rawi: To sell it to Guardian Life.

Sen. Dr. L. Henry: And do not tell me about, well he left there Monday and they hired him in the bank Tuesday, and so that means he is okay now. Absolute and total conflict of interest, and all of you stayed quiet because the Central Bank Governor seems to be a law unto himself—crazy—I mean the people in Guardian Life. Also we have never heard of any proper explanation for the change in plan from switching from Atrius which was supposed to be the new company. I have asked questions, the Minister has not responded to my questions so far.

So you have a situation where Government all along was telling us that they were going to form Atrius, the Clico portfolio will be absorbed under Atrius, the workers would be employed. Last year I warned about the fact that these 400, approximate, people involved would be dismissed, that they are under pressure, that the place is in a mess, do something about it. You put a bogus actuary as the chairman of Atrius. I asked what was happening with that Board. Were they being paid? What is going on?

Then all of a sudden, the Ministry says he was not really an actuary. It was a technical error or something, a typo. Then next thing, the plan is no, Atrius is scrapped and we are going to sell Clico, and Dingwall appears in the Central Bank from Guardian Life. This is the disposal of billions of assets that the State has put money into.

12.45 p.m.

So the Atrius problem and the fact that they have scrapped that plan without any proper explanation—I heard the Minister talk about, well, it would have cost the Government an additional $1.5 billion to absorbed Clico under Atrius. Well, I am not sure where he was getting those figures from. It was a significant guesstimate because the valuation of the Clico portfolio is due to come in sometime around now. He made this statement several weeks ago and, also, I am fully aware that if you really wanted to bring Atrius on stream you could have done it without putting up cash up front. So this was a policy decision on the part of the Government. So those same, approximately 400 people are now in negotiation with their union to basically be paid off or just be dismissed.

The Banking, Insurance and General Workers Union is involved in it now because, essentially, you have reached the point just as I predicted late last year, that these 400 people will be put on the breadline. They may get some compensation due to the union's involvement, but it is happening as we speak because they stayed there with the company and they worked. They kept the policies going and at the end of four years of this Government, they are being told, "Okay, all your efforts were in vain, get lost now." They kept the company as a viable entity going and this is how you reward them.

So I am fully aware of what your mismanagement of that situation as your mismanagement of many other areas, has brought on the people involved there in Clico, the insurance company. Not the overall CL Financial I am talking about. So you have created a big problem there. I know the Minister might have some kind of tap-dancing to do around that one because I will be surprised if he is in full agreement with some of the things I heard coming out of that situation. So we really have a serious problem on our hands.

And as I was saying, the same man who brought Dingwall to the Central Bank is in charge of all these assets. The same man who gave us the artificial crisis which is not over yet—because with the injections of funds from the energy companies now, it will be quiet for a little while, but then two, three months down the road it will pop up again, and the allocation system that was put in place is so arbitrary in terms of how you bring in entities like DFL—Development Finance. Of course, I could remind the country that it is half-owned by Maritime Life and you know who Maritime Life is associated with?—ANSA McAl General Finance which is Neal & Massy, bringing all of them as equal players with Royal Bank, Republic Bank and so on. The big banks that service the small businesses and the small customers who have the network and the operations, you put them on equal footing, and some of them, as I have been informed, cannot even handle the situation properly. I do not want to give away too much. You might know one of my sources and I know you are all kind of vindictive. Yes, some of them cannot even handle the arrangement, so it is causing problems.

You have to remember, if you are not accustomed to getting a big inflow of foreign exchange and all of a sudden it is coming in, even though it is nice and you could sell the foreign exchange, make some money off the spread, you still have to get the TT dollars to buy it. So, what I am saying is that there are big problems in the system and they will not go away. The Minister talked about the Central Bank Governor changing, tweaking the system, but we have heard no formal announcement of any tweaking. What we do know is that the arrangement as it stands right now is somewhat arbitrary. Very arbitrary, creating uncertainty in the system, because if you have the Governor making an announcement April 01, he does an injection based on that formula, and every other injection that has come up since then has been different, has been managed differently.

So maybe, that is what the Minister was talking about when he said he is tweaking the system, but there is no formal announcement of it. All of the injections, since that initial injection in April, have been dealt with in a different manner. So it is not consistent to what was actually announced. And, in

combining that with the rapid movement in the exchange rate creates uncertainty and it was a very bad precedent and something that should be condemned for playing politics with the exchange rate, with such a rapid movement. You carried it to $6.34, now it is today $6.39. So, you are just going to pump more dollars into the system because your pride is wounded—yes—to keep it at this rate when you know that is not sustainable. Because if you keep pumping money to keep it at $6.34 as well where it is today, $6.39, you know that all that big build-up in reserves, that you boast about, will start going the other way.

Mr. Vice-President: Senator, you have two minutes more to wind up.

Sen. Dr. L. Henry: Okay. Thank you. So what I am saying is that—I did not get to all my stuff here, Mr. Vice-President, but I wanted to point out, without any doubt, that we are not making any error in buying the Government's propaganda policy about how they have this low unemployment rate and they are such wonderful managers of our economy.

Just before I go, the insider trading issues that the Minister raised, why is not one Mr. Seeterram under investigation and somewhere close to something more serious? The 460,000 shares that he obtained in the IPO are equally or perhaps more scandalous than the Rahaman issue and we are not going to let that slide. If Mr. Rahaman was fired and may perhaps suffer further sanction based on the findings of the report, what is going to happening with Mr. Chanka Seeterram and his son inside the bank?

That is a serious matter. We will be watching and we want to see what you will do. So the scandal of the IPO of FCB is not over yet. We are going to keep it alive, and we better be careful with what is coming next with the Phoenix Park and so on. The Minister, perhaps, could clarify that later on, what the Government is planning to do with that. But if you are going to continue like this, then you will be further strengthening my point that you have a commitment to mismanagement and bad governance.

Thank you. [*Desk thumping*]

Sen. Helen Drayton: Thank you, Mr. Vice-President. I will be brief. I just want to make a couple of comments with respect to the Public Sector Investment Programme, the Ministry of the Environment and Water Resources, the Ministry of National Security, the pensions in the context mentioned by the Minister of Finance and the Economy and industrial activity. Now there is no question in my mind that our economy remains strong and I think well managed. [*Desk thumping*] The increased inflows of oil revenues to our coffers due to the

instability in Ukraine, the wars in Iraq and the rest of the Middle East, I think those underscore our very good fortune, not only in the context of the economy, financially, but also in the context of continued political stability. Therefore, I think it is even more imperative that we plan for efficient use of these resources in a way that spurs enterprise, generates real social returns and lifts the society generally.

It was encouraging to hear the Minister of Finance and the Economy mention the Auditor General's Report and the opportunities for strengthening that department, as well as to ensure efficiencies in the public service accounting. That report points to much waste of the country's resources as well as the grave inefficiencies in the public sector. Now the matter for consideration is the provision of supplementary funds in the sum of $3.8 billion, and we are told that this is to fund urgent and critical recurring capital expenditure to the end of this fiscal year, which is just two to three months away.

Now, it is an annual ritual for successive Governments to seek Parliament's approval of billions of dollars just a couple of months before the end of the fiscal year, and the last Opposition who is now sitting across there as Government had criticized the last one and termed that type of planning deficient and a waste and, of course, the current Opposition is now accusing the current Government of the same.

I do not know where this leaves the public, other than: the more things change the more they seem to remain the same. Sometimes they probably get a little worse and, of course, the problem facing any objective person having to look at this Bill and try to come to grips with what is in it and to make a decision, it is always difficult because we really do not have sufficient information. We are told it is for urgent needs and to pay salary arrears, but really there is no information that supports the billions of dollars, and something has to be wrong with a system where a Government comes to Parliament for approval of billions of dollars but no approval is really required because it is a money Bill. So I think the intent of the system is for transparency, and if there is not sufficient transparency then it is nothing more than just that, a ritual.

Let us look at the Public Sector Investment Programme. The sum required is $369 million and I wonder what is the current cost to the public with respect to the highway to Point Fortin. We know that it started off at $7 billion to $8 billion or over $235 million a mile, so what is the cost to date with respect to the original budget? I will not be surprised if it is somewhere more in the vicinity of $7 billion to $10 billion.

Now the supplementary funding for revised collective agreements, I would read a note here in the Bill or in the notes that we were given:

> "…that part of the Supplementary funding is required to meet…revised remuneration arrangements for holders of public offices within the purview of the Salaries Review Commission"—$92 million—"as effected by Personnel Department Circular No. 3 of 2014…March 6, 2014 and Ministry of Finance and the Economy Circular No. 2 of 2014…April 29, 2014…"

That is okay, but I note under item 6:

> "Additional funds are required to meet the anticipated cost of implementing the revised salaries to holders of public office under the…"—SRC.

So is this anticipated cost part of the cost mentioned in the circulars just referred to? Or given that it is just two, three months before the end of the fiscal year there is some other anticipated cost, and therefore, what is that anticipated cost if I read it correctly?

1.00 p.m.

Under Head 05, $22.6 million:

> "This sum would facilitate the payment of arrears of salaries and allowances with respect to the revision undertaken by the Salaries Review Commission (SRC)."

But I thought it is a relevant question to ask since the Minister mentioned pension: what is the status of the pension fund for parliamentarians? When last was an actual evaluation done on this fund and is it currently viable? I raise this in light of the proposals before Parliament for pension increases although it is not my intent to even mention those contents.

Now, I understand that in 2007, the Government's liability under pensions was between $21 billion and $30 billion. I want to quote the Budget Statement of 2008/2009 of the Minister of Finance of the last Government:

> "The Government's liability, in respect of the current pension arrangements, had previously been determined to be between $21 billion and $30 billion as at January 01, 2007."

Now, I can only assume that with an ageing public service and the natural attrition that since 2007, the liability could not be less. But what was significant about the then Minister's statement was the wide gap between $21 billion and $30 billion, which is $9 billion, telling me that, at that point in time, the Government did not

have a handle on its pension liability. So my question to this Minister: what is our total pension liability? I agree with your statements that pension plans must be viable and sustainable. Are the current pension plans viable and sustainable?

Head 18, "Current Transfers and Subsidies" $1.6 billion for the "Infrastructure Development Fund". Now, if I am correct, this fund started off with a total of some $4.8 billion, and of course, this $4.8 billion, I think, would have been in addition to the budget of, I think it was $61 billion or $64 billion, and I stand to be corrected. So, you know, it begs the question: what was that $4.8 billion used for? Did some of it go into the Point Fortin Highway? How much went into the Diego Martin Highway? These are projects that are currently underway. And what is this $1.2 billion for?

The Ministry of National Security, $86.9 million, "Development Programme", $78 million, and it says:

> "Acquisition of a Digital Public Safety Communication System for the Trinidad and Tobago Police Service"—of $78.9 million.

The Minister of National Security is looking at me because I think he anticipates my question. He says:

> "The requisite sum allows for the acquisition of services inclusive of maintenance and training support for the communication as per the agreement of Cabinet."

Now, before I ask you the question, let me just make another statement. I read that a SAUTT-like system is being implemented—and I think that is in the public domain from the very Minister—which would allow the police to operate or report to their commissioner and soldiers to report to their respective head. Now, the Minister of National Security should enlighten us as to whether framework legislation will be brought to Parliament to govern this inter-department body, and to advise whether it is already operational.

Now, this is important. I say this because billions of dollars were poured into SAUTT and we sent home excellent local expertise—we terminated some of them—we sent home excellent foreign expertise who were helping us, and I understand we are trying to get them back. But more importantly, the reason the Government gave was that SAUTT was operating illegally. So if there is a system similar to SAUTT that is operating, or about to operate, I ask the Minister if the intent is to bring a framework to govern those operations, and I am assuming that it would do so given its objections to the last inter-department agency.

Of course, it tells a sad story about the debilitating impact of party politics on the quality of national security and governance and the morale of members of the police service and the defence force. And hopefully, in the 2015 election, which is already on its way, that the political parties will not use security as a football as it was done in the past, and that when whoever comes into office decides to just dismantle institutions without given thought as to why these institutions were there in the first place.

The dismantling of SAUTT set us back in the country's national security intelligence, and I know that the Government will choose to say that SAUTT was never disbanded, or words to the effect, but whatever it did, national security intelligence was compromised as a result. Now, further, from whom is the Government acquiring the digital public safety system for nearly $79 million and how would that system interface with existing national communication and security systems?

But, there is something more important to mention with respect to national security. Now, every citizen should have taken note of the statement by the United States Assistant Secretary of State, Mr. William Brownfield, on the death of Dana Seetahal SC and his prediction that crime will get worse over the next two to three years. Now, Mr. Brownfield warned that:

> "…even arms of the State can be challenged."—given the criminal—"'traffickers…have the firepower to defend their turf."—and would—"eventually…be prepared to take on institutions of the State, whether that is the police, border guards, customs or the Judiciary.'"

A soldier was recently killed and we know our beloved judicial officer was killed. He said that:

> "…cartels were well organised and targeted countries where there were weaknesses, which could range from poorly paid…officials to unprotected borders."

So my question: the Government cancelled the OPVs that were ordered for the purpose of protecting our borders—now, the reasons given, it is not necessarily reasons. They were not reasons that would hold any, I would say, credence with any professional, more so in finance and procurement. It did not make sense. If there were flaws and delays, I imagine the terms and conditions of the contract should have taken care of that.

Now, of course, the Government had claimed victory in that it got back all its money, which, of course, was also a bit of shallowness unless the cost of executive time, implementing of training and development of crews, the cost of

procurement, the cost of the money that was used to pay for the OPVS and the opportunities lost, unless these do not carry hefty price tags. So, again, unless this is about transparency when we bring these budgets which we could only talk on, so we could only raise questions so that, hopefully, answers would be given, at least some answers. So, I think the more important question to the Minister of National Security, in light of Mr. Brownfield's words: what has the Government done in four years to secure our borders? Now, I understand that it had expressed some interest in three vessels similar to OPVs, just called by another name.

Now, the other significant thing Mr. Brownfield said was with respect to extrajudicial killings. He said that:

> "…if there was evidence that the police service was involved in such killing in any country, by law, the US would have to discontinue co-operation with the organisation."

Now, these are not comments that came out of Mr. Brownfield's fancy, and I think that the Commissioner of Police and the National Security Council should take Mr. Brownfield's words to heart, they should be vigilant, more so when police and soldiers are under attack.

Head 68, Ministry of Sport, "Pathway Programme – Life Sport…" $24 million. It is said that the:

> "Funds are required to meet the anticipated commitments for the operations of the Programme to…"—your—"end…"

And that is $24 million for the next three months. Frankly, hon. Minister, I have heard what you said that not a cent will be expended unless it is supported, but of course, the amount does not make sense at all to be spent within a couple of months and not for the number of persons said to be involved in the programme. I think for the Government to ask for any more money for this programme without first accounting to the public for the status and quality of the programme, I think that is difficult to accept. [*Desk thumping*] Let me say that I am all for programmes designed to help the unemployed youth and to help them and their families transform their lives. I will not speak against the principle of the programme.

We are told that an investigation is underway on this programme, I need to be frank and say, I have no confidence whatsoever that a full report will be made public. I have no confidence at all that anyone would be held accountable if evidence of wrongdoing was discovered. I have no confidence in the administration of the programme given the information in the public domain by

the Minister of National Security. After all, we have seen no follow-up action with respect to the results of the investigation into the illegal Flying Squad, and public records are littered with investigation upon investigation that costs the taxpayer millions of dollars, yet no one is ever held accountable. The investigation into First Citizens Bank's IPO dealings must not become another statistic in the sad history of investigations and commissions of enquiries. I do appreciate and accept what the Minister has said, that there is need for more time with that investigation.

Head 71, just before I close, the Ministry of the Environment and Water Resources, $154 million. I have only one question and that is: what is the Ministry doing about illegal quarrying? [*Desk thumping*] You know, there is real social injustice and inequity in this society, and I will tell you why. Unemployed persons, but persons who opt to try and make an honest living, they vend, and they do so illegally but they are broken down. They are taken down to jail, their goods and services are destroyed; you lock them up sometimes. You have shacks that were housing mothers and children. Yes, they were squatting illegally, but were thrown in the road. And there are people who are making millions of dollars every day stealing our resources and what happens? Nothing, and this is why this country is so—there is so much friction, there is so much anger, there is so much bitterness. It is the level of injustice that takes place. It is always the poor and defenceless who bear the brunt of the law.

And finally, the major share of the additional $3.8 billion is to be expended on salaries, arrears. Now, the public is under siege with respect to industrial action that is affecting the delivery of services. People who have paid for their bookings to travel are experiencing difficulties in getting their passports and other travel documents. Now, while I do not agree at all with inconveniencing the public, I have seen the conditions that employees were working under at the Frederick Street Immigration Office, I see it in the Inland Revenue, I see it at Licensing Office and other public service departments. So there is no question in my mind that the conditions are appalling and we, the members of society, we go into these offices to use the services, we complain bitterly about the quality of service, but nobody ever stops to think that these people are working under conditions that are not conducive to delivering quality service. [*Desk thumping*]

1.15 p.m.

So that, I am not talking here about conditions that could be easily rectified like sweeping the place, keeping it clean, or cobwebbing or something like that. I am speaking about aged buildings that sometimes leak, there is poor air conditioning, poor ventilation, poor electricals, insect infestation, water-stained ceilings and a general lack of maintenance. So, while I will not endorse inconveniencing the

public through industrial action, successive governments must take full responsibility for the neglect of public service employees. Some of these situations could have been avoided, but, again politics got in the way.

Why, upon assuming office, this Government did not seek to complete the Government complex just across the Waterfront here? Had those buildings been completed, many of the employees in departments that are in various states of decay could have been relocated. Why is there an empty building for which the taxpayer is paying millions of dollars on Tragarete Road and public servants have to work under terrible, physical conditions?

I would like to ask the Minister of National Security, now the NIS Office in St. James was bad, cramped, appalling, dark, but why on earth was it removed and put on Wrightson Road where it is so difficult for the elderly to access? So it begs the question: whose building and what are they paying for it?

So when industrial action is taken it is not against the Government, it is against citizens who must bear the inconvenience while the Governments they put in office to serve them continue to provide fodder for those who choose to continue to use the derelict and unhealthy and unsafe buildings to advance their agendas.

Now, let me close by commending the Minister for the management of the economy, all of his efforts [*Desk thumping*] to clean up all the mess that he has found and to put in proper systems. The Government does not need my support to pass this Bill. I certainly do not have sufficient information to make a decision either way.

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

Mr. Vice-President: Hon. Senators, the time now is 1.17. I intend to break for lunch. This sitting is now suspended until 2.17 p.m.

1.17 p.m.: *Sitting suspended.*

2.17 p.m.: *Sitting resumed.*

Mr. Vice-President: This sitting is reconvened and we will continue the debate on the financial Bill.

The Minister of Planning and Sustainable Development (Sen. The Hon. Dr. Bhoendradatt Tewarie): Thank you, very much, Mr. Vice-President. I want to commend the hon. Minister of Finance and the Economy for his presentation here today [*Desk thumping*] in this request for appropriations during the midterm review, so to speak.

The hon. Minister of Finance and the Economy tried to put into context what he was doing and why, and where the appropriations were going and why, and how this fit in the broader context of Trinidad and Tobago's economy, as well as the broader context of changes in the global economy, and I think we got not just a good presentation, but a fair understanding of some of the challenges we are facing in Trinidad and Tobago. I was not surprised to hear Sen. Drayton, in the close of her contribution, commend the hon. Minister of Finance and the Economy for his stewardship of the economy and for his management of the Ministry of Finance and the Economy and its obligations. But in her friendly fire, so to speak, she did raise some issues, and I do want to indicate that the issue of transparency in the presentation of these accounts and the changes to the budgetary allocation does not arise at all. It is very straightforward and very explicit and what the hon. Minister of Finance and the Economy did not explain, other Ministers will be able to explain, having to do with their own portfolios.

She did raise the issue of the sustainability of pensions and I want to indicate to her that this has been a long-standing wrestling match between the hon. Minister of Finance and the Economy and the institutions of state to get this going, because it has been in motion for the last 10 years or so and what I do know for a fact is that the hon. Minister of Finance and the Economy has given a commitment to speed up this process and try to have an enlightened, meaningful and sustainable pension system for Trinidad and Tobago, because the hon. Sen. Drayton is correct—it is something the country needs and it is something that the population needs for a sense of security and it is something that any state needs to put in a clear position of sustainability in order to be able to meet obligations over many generations, which is what pension is about.

There were issues raised, having to do with the Ministry of National Security, having to do with the Ministry of Energy and Energy Affairs. I will leave those. I will not address those because both Ministers are due to speak and, therefore, I am sure that they will address it in their own fashion, but I do want to say that the issues that she raised about immigration, the passport office and the issues having to do with rentals and why we did not use government offices that had been set in motion or why we did not use existing buildings, et cetera, I do want to say that I really think that it is not fair for the head of the PSA to hold the country to ransom in this matter and this manner. [*Desk thumping*]

I consider the leader of the PSA to be a collaborator, in terms of his reasonableness with the Government. He, as any union leader, has to play his role and he has to look after his constituents, which are his union members. But I

believe to put the country in a position, especially at this time, which is a travelling time in the country up to about September, which is the holiday season, and to put citizens in the position where they cannot get a passport and they cannot travel, and I do not think the reasons are good enough. I take Sen. Drayton's thing that there might be problems with the buildings, there might be OSHA issues.

I myself have suffered greatly, in terms of the CSO, in this manner and a significant portion of my employees are still at home because of this but because I have some decent employees who are willing to carry the ball, so to speak, and even those at home are willing to work from home, I have been able to continue with my business in the CSO. But a passport office is not the same kind of thing. It is a service that people need to have and they need to have their passports in their hands.

I would say to the leader of the PSA, Mr. Duke, that this is not right and it is not good for the country and it is not something that you should do and the Government should not be blackmailed in this way and the citizens certainly should not have to suffer in this way. This is an issue that is resolvable. It is solvable and I think that you should work with the Government and the Ministry of Finance and the Economy and the Ministry of National Security to make sure that these matters are settled and I call on Mr. Duke, please, to be a reasonable man in this situation. [*Desk thumping*]

2.25 p.m.

On the issue of property management and rentals, I will not say too much on this. There is a lot that I could have said in the planning Bill about this, but I chose not to go that route; I dealt with the larger developmental issues in the country. But this business of property management, the existence of cartels in the system and the link between the evolution of government in this country, the relationships that have accrued and the consequential implications for the Government are really quite severe.

I think that this is something that needs to be addressed frontally and the matter of the government buildings—I think everyone understands that when the Government came into office in 2010, you had the negotiations with the unions waiting for us; we had the debt from the contractors waiting for us; and you had demands from everybody, so to speak, that we had to attend to. The question was—in those early years, carrying the Clico crisis, the HCU crisis which we had inherited, et cetera—what do you do? What would be your priorities?

In that situation, we could not go for the rehabilitation or the completion of buildings which had its own attendant recurrent cost. We are now in a position to do something and that is being done through the Ministry of Housing and Urban Development and those buildings are, in fact, going to be brought into ownership and control, and you might say occupancy by the Government of Trinidad and Tobago and the various Ministries.

But I do want to say that the situation of properties, and especially properties in Port of Spain, is a serious matter that needs to be addressed in a rational manner. One of the solutions certainly is decentralization, but the second solution is really for the Government to take a much more comprehensive approach to this matter of how properties and governmental relationships evolve and how we do this rationally in the best interest of the taxpayer because at the end of the day it is the taxpayer that pays the burden of these rents and it is something that we have to bring under control and we cannot continue in the way that we are proceeding.

We had a contribution from the hon. Sen. Dr. Lester Henry and he accused the Minister of Finance and the Economy of trying to paint a rosy picture and he said that the Minister of Finance and the Economy really was an example, on behalf of a government committed to bad governance.

I do not know how Dr. Henry, as a serious man teaching at the university and responsible for students and the future of students, could really come here and say that in that bold way. There is nothing in the evidence that would make his statement even near a kind of credibility. He could have accused the hon. Minister of Finance and the Economy of painting a positive picture, which he did, but the facts bear out that positive picture and there is no evidence that Sen. Dr. Henry raised and there are no statistics that he used which indicated anything to the contrary. [*Desk thumping*]

He said that this Government never had to deal with a crisis. He said that this Government never had to deal with a crisis in the first four years. I want to say that this Government inherited a legacy of crises from the last administration [*Desk thumping*] and, in his moaning and groaning for the whole hour, out of which I cannot remember any single substantial issue that he raised, you might say that his entire lament was a lament of longing for a crisis, hoping for failure, praying for a curse on this land and misusing information to justify his malevolence in his contribution. [*Desk thumping*]

He said that the oil revenues in our time were high compared to 2009. He said we were borrowing on a rampage. He talked about unproductive spending. He talked about borrowing to put in the Heritage and Stabilisation Fund because we

were budgeting on the basis of a deficit. This is a normal procedure for any Government and the law requires contribution to the Heritage and Stabilisation Fund based on the price of oil and that is the manner in which it was done.

He said, after criticizing the Government and saying that we were committed to bad governance and running the country badly, he then contradicts himself and he says, "The Government has a very good situation; and yet you are borrowing so much", et cetera, et cetera.

My own feeling is that Sen. Dr. Henry's contribution was much more political than it needed to be coming from him; and, secondly, devoid of any serious economic analysis. [*Desk thumping*] He spent a long time chastising the Governor of the Central Bank—I do not know if there is a personal problem there—and I will not get up and defend the actions of the Governor of the Central Bank because I am sure that he is able to speak for himself and I am sure that he is able to put things in context.

But what I would say is that in the age in which we live, it is necessary for—that notwithstanding the traditional notion of Central Bank independence and the distinction to be made between monetary and fiscal policy, I think in this day and age when stakeholder management of an economy is a very important aspect of the development of a country and the development of a country in relation to what is happening globally—it is very important for there to be a collaborative relationship between Central Bank Governor and the Minister of Finance and the Economy, so the harmony and the harmonization that is required between fiscal and Central Bank monetary policy does in fact yield the benefits that are required for the country.

Therefore, I want to get very quickly into this particular Bill before us today and to raise some of the issues related to it. The total supplementary appropriation is $3,820,601,879—$3.82 billon—and of this, $369,149,940 is for the PSIP funded under the Consolidated Fund or 9.7 per cent of the total. So that the PSIP funding here is about 9 per cent of the total of allocation in this particular Bill.

The rest is for recurrent expenditure. The largest item is for current transfers and subsidies, that is $2.1 billion. Under this, $1.25 billion is required for transfer to the Infrastructure Development Fund for projects; a further $258 million is for support to the OECS Financial System after the Clico/BAICO collapse and some other transfers and subsidies include $51.5 million for the charter/hire of the *mv Superfast Galicia* for the interisland ferry; $417 million for the regional corporations to settle outstanding arrears of wages and COLA of daily-rated workers, which is $3.237 million; and then for public officers, $9.1 million; overtime and NIS, among other payments, $45.3 million.

There is $7 million for national sporting organizations to facilitate participation of athletes at Commonwealth Games, Youth Olympics and Central American Caribbean Games; there is $6 million for YTEPP for salaries of staff and increased security. There is $33.2 million for the OJT programme after increasing the stipends for OJTs; $31.67 million for national days and festivals, such as Emancipation Day, Independence Day, Republic Day, among others.

And all of these things, as you will see, basically call for money that will be absorbed in terms of things that must be done. The OECS financial system, after BAICO; the ferry interisland, which we need; the payment of salaries, wages and other responsibilities of the local government system to support sporting organizations abroad in international competition; NIS payments and overtime; the OJT programme, which is really to bring people into jobs and experience; and the celebration of national days, which has always been something that the State has supported, so that communities can be enriched in terms of taking responsibility for their celebrations.

Now, when the Minister of Finance and the Economy presented, he gave an overarching picture of the situation globally and he pointed out what was happening in the United States, what was happening in Europe, in Asia and he pointed to some of the things that were happening around us and he basically talked about Trinidad and Tobago really as doing very, very well indeed, in terms of the development and evolution of the economy since 2010 when we took office in this country.

I have with me a *Gleaner*, which I was able to pick up yesterday because I spent the day in Barbados meeting with the Minister of Trade there, and I also spent the day meeting with some business leaders in Barbados because we wanted to engage them on a few issues.

I took the *Gleaner* because the *Gleaner* has some information here which is very important. What I have in the *Gleaner* here is a reportage of a visit to Jamaica by the Managing Director of the International Monetary Fund, Mrs. Christine Lagarde, who went to Jamaica to see for herself what was happening in Jamaica after they had made commitments to support Jamaica and after some time had elapsed after the first tranche of the loan had taken place.

Mrs. Lagarde was very positive in her assessment of Jamaica. She said, and I quote from the *Gleaner* of yesterday on page 12:

> "'All reviews have so far been completed without any shortfall, without any failure, and meeting all the criteria. This is an exceptionally strong record by IMF standards and as a result, the economic outlook is improving…'"

And we all know that, by comparison, Jamaica is not in as good an economic position as Trinidad and Tobago, but the IMF, in making a judgment about a country, and looking at it in the context of where it has been, where it has come from and where it is going, she made a positive assessment of the country.

> "The Managing Director noted"—that is Mrs. Lagarde—"that compared to a year ago, growth has picked up; unemployment has declined; inflation has been brought under control; the current account deficit has shown an ongoing improvement; and reserves are beginning to recover."

If we were to use those same criteria for Trinidad and Tobago—I do not mean to exaggerate, but I think it would be about 1,000 per cent better. If we were to look at the situation in terms of growth, in terms of unemployment, in terms of current account deficit, in terms of ongoing improvement, in terms of reserves, I think you would find that this would be a very, very healthy country economically. [*Desk thumping*]

2.40 p.m.

She talked about the need for other reform measures that are necessary in Jamaica and this is what she talked about:

> "These include: major improvements in tax collection, which must involve significant eradication of tax evasion; modernising of the public sector; and improving the business climate in order to increase foreign direct investments."

If we were to talk about some of those things, you would see that we are quite positive, not extremely poised at the best of performance in all of them but, certainly, in terms of foreign direct investments, Trinidad and Tobago is in a very healthy position indeed, and I will give some information about that later.

The Prime Minister of Jamaica, the Most Hon. Portia Simpson-Miller, in fact, concluded in talking to the newspapers by saying that:

> "…her administration is conscious of the difficulties many Jamaicans are experiencing under the current circumstances, but noted that stimulating growth and employment is at this time the highest priority of both the Government of Jamaica and the IMF."

And those are our priorities too. People are hardly suffering in Trinidad and Tobago to the extent that you would talk. It does not matter what level of the society you go to, people might be under stress and strain. I am not trying to say

that life is always easy, but this country has been classified as "a happy country" [*Desk thumping*] and notwithstanding the stress and strain, the condition of the people in Trinidad and Tobago is much more significantly better than it is, let us say, for the ordinary person in Jamaica. That is why you have some migration from some of the islands to Trinidad and Tobago; it is because conditions are better in Trinidad and Tobago.

So, I do not think that people should come here and try to wish hellfire and try to wish negativity on this bountiful land called Trinidad and Tobago [*Desk thumping*] which this Government, the People's Partnership Government, has brought from a decline of -4.6 in 2009 to a situation of growth and expansion in 2014. [*Desk thumping*]

Now, let me talk about what the IMF says about Trinidad and Tobago because I think that would be important and, perhaps, useful. I hope I can find the document. I think it would be very interesting to say what the IMF says about Trinidad and Tobago. I have the document here, of course, on the 2014 Article IV Consultation, and I would not read everything. I would just read the headline elements, so you have an idea of what the IMF, as an institution in the world that basically looks at economies in every country, and they do it comparatively. They do it comparatively in relation to the country itself, where it is, how it has progressed, where it is going, but they also do it in relation to other countries because these are criteria that are used across the board for countries. Let me tell you what they are saying:

> In terms of recent developments, Trinidad and Tobago is embarking on sustained growth after several years of weak performance attributable to the global crisis and energy sector supply side slow downs.

In other words, that is what caused the weak performance before, but we are headed on a sustained growth path, that is according to the IMF.

The second headline; "Inflation has fallen". I do not need to go into that. The third headline, "The external position remains healthy given strong external buffers and a structural current account surplus". The fourth headline, "The estimated current account surplus rebounded to 11.8 per cent of GDP in 2014". The sixth headline—I will come back to the fifth—"the foreign exchange market has become a focus of concern again". So, I am not reading you anything that is only a hunky dory positive story. I am giving you it as it says. They say that this is an issue of concern; the eighth headline, "Fiscal policy was relatively expansionary in FY 2012/13 (October 2012—September 2013)"; but they also

say, "Subsidies and transfers grew further"; they also say. "Social programs remain overlapping and poorly coordinated"; they also say—and this is important for the people who are saying that we have galloping debt—"Debt remains moderate." And I will read the entire section. [*Desk thumping*]

> "Gross central government and nonfinancial public sector debt ratios declined, to 16.0 and 30.7 percent of GDP, respectively…Central government external debt was only 6.2 percent of GDP at end-FY 2013, while HSF assets totaled 18.5 percent of GDP at end-September, 2013."

So, do not come telling the population things that are not true. It is not right to do that. You can bring the facts and you can criticize the Government, but you cannot come and give misinformation to the country and expect the country to believe that what you are saying is true. It is not right.

Headline No. 12, "The authorities intend to significantly outperform the FY 2013/14 deficit target". Okay. So, we are likely to reduce the deficit; "The banking system appears sound"; "The CBTT continues to absorb excess liquidity"—all of these are headlines, which are elaborated; "Financial sector reform is advancing"; "The wind-up of CL Financial Corporation (which owned CLICO, a failed insurance company)"—is continuing; "The government has advanced on structural reforms, notably to improve rankings on global competitiveness indices.", and let me read what they say there:

> "The government has reduced the average time to start a business from 43 days to 3"—days—"and to obtain construction permits from 42 weeks to 6. It is also reducing the time to clear shipments through customs and intends to establish appropriate insolvency frameworks, reform procurement legislation, expedite property registration and improve contract enforcement." [*Desk thumping*]

They do point out though that there are areas in which structural reform progress is lagging. They mentioned the unemployment, "Despite the low recorded unemployment rate, there is evidence of significant underemployment." So, we know that that is an issue. They go on. This is what they say about debt again.

> "Even under the conservative baseline, a debt sustainability analysis indicates no major concerns through the projection period"—about debt.

So, why are you coming here to alarm the population about what we are doing? It is just not right, as I said.

> "The main external risk over the medium term would be a sustained decline in energy prices…"

In other words, if there was a severe drop in energy prices, it would affect our revenue base and, therefore, our ability to sustain the rest of the economy because so much of the economy depends on energy transfers in the country.

Let me see, I would just read one more:

> "The potential for spillovers from instability within the Caribbean is uncertain."

As you know, most of our neighbours—that is why I started with Jamaica—have some difficulty and all around us, we have a situation in which most of these countries have high debt. They are unable to sustain their recurrent spending; they have very little money for development expenditure and, therefore, their economies are less in a position to continue to import from us because we export a fair amount to them and, therefore, they are uncertain about what the rest of the economy of Caricom, how it would impact on Trinidad and Tobago. That is why I think we need to understand also that it is not only important for Trinidad and Tobago's economy to be strong, it is really important for Trinidad and Tobago to play a role in the strength of the other economies in the region. That is what Caricom is about, and that is what this region is about.

And, as you know, our Prime Minister is going to be in Antigua before long, going there for the Caricom Heads of Government Conference in Antigua. The reason we pay so much attention to Caricom is because in a real sense, it is an interconnected economy of a very intense kind because of the development in Trinidad and Tobago; because of the business growth and expansion in the region; and because of what can happen if something goes wrong in one of those economies.

So, that is what the IMF thinks about Trinidad and Tobago, and I want to say that it is a very measured assessment of a very positive kind of the custodianship of the economy of the last several years—the last four years; secondly, it is very measured, but very positive about the capacity of the country to grow and develop and expand. More than that, it is a story of building a sustainable economy in Trinidad and Tobago, and you cannot fault the Government for good governance and good economic and fiscal management in Trinidad and Tobago over the last four years, under very trying circumstances. [*Desk thumping*]

I want to say a little bit, Mr. Vice-President, on foreign direct investment because this is important. Again, I want to make reference to *The Gleaner* that I used just now. On the same page was a story in which Minister Hilton, who is a

good colleague of mine, responsible for trade and investment in Jamaica—he used to be responsible for energy matters before—and he talks about foreign investment in Jamaica and how they have done. They received something like about $657 million worth of investment in 2013. I want to give you an idea of what has been happening in Trinidad and Tobago because it is a very, very important story.

In 2011, the total foreign direct investment in Trinidad and Tobago was US $1.831 billion with net FDI being $770.6 million. That was in 2011. Remember we came into office in 2010; you had a weak performance in 2009; 2010 was uncertain and 2011 really was the first year of wrestling with the economy. In 2012, total FDI into Trinidad and Tobago was recorded at US $2.52 billion. Okay? In 2012, $2.5 billion.

2.55 p.m.

Remember the numbers for Jamaica, doing pretty well, is $657 million. After accounting for FDI outflows, the net figure in 2012 was $772.1 million. In 2013, the most current estimates gave total FDI just under $2 billion—in fact, $1.712 billion for the period till the end of 2013. The net FDI figure for the same period is US $970.7 million, which is close to $1 billion, meaning that over a period of two years net FDI has increased by at least $200 million in this country. Would you not say that is something positive for the country? [*Desk thumping*]

Now this is against a backdrop of declining FDI for the Caribbean as a whole. According to ECLAC data in 2013, the Caribbean saw a drop of 19 per cent in inflows of FDI. I think the hon. Minister of Finance and the Economy mentioned that, and I have both investment reports here, actually.

Sen. G. Singh: It is worth repeating.

Sen. The Hon. Dr. B. Tewarie: I have the Foreign Direct Investment Report in Latin America and the Caribbean, which tells you what is happening to Trinidad and Tobago. It is a success story in a difficult situation of declining investment [*Desk thumping*] in the Caribbean. The second report that I have here is the World Investment Report 2014 and, again, compared to countries all over the world, it shows significantly how well Trinidad and Tobago is doing compared to before and, secondly, in relation to the other countries around us.

I want to say something too about FDI stock. This is an important thing to record for the country. In Trinidad and Tobago, in the year 2000, the foreign direct investment stock data indicates that it was 7.280. In 2010 it was 17.424. All

right? So between 2000 and 2010, a decade, you move from seven to 17. Remember during that period we had a period of growth in this country which lasted for 15 years from 1992, so that was a very significant growth period in the country and the decline came, of course, with the 2008/2009 crisis. I want to tell you what it is in 2013, and in 2013 the FDI stock has grown again to 21.782. [*Desk thumping*]

So this is not a country that is doing badly by any measure. He talked about the CSO. This is not information that I am taking from CSO data, although I want to say that I stand by the integrity of the CSO data. This is information that is done by international sources based on serious scrutiny of an economy and serious scrutiny of the numbers. What they tell, in no uncertain terms, is that Trinidad and Tobago is out of the woods since the crisis of 2008/2009. We are heading on a solid growth path and, more than that, this is a buoyant economy that is really a success story in this part of the world and, indeed, in the hemisphere in which we live in this part of the world, the Western Hemisphere.

The economic data will tell you that in 2010 it was 0.2; in 2011, -2.6; in 2012, 1.2; in 2013, 1.6, and the IMF projects for us in the same document that I read, 2.5 for 2014. What has happened to inflation in the period? In 2010, 10.6; 2011, 5.1; 2012, 9.3; 2013, 5.2. Year on year change as at May 2014 is 3.1, so that it is headed downwards, the inflationary route. [*Desk thumping*] The unemployment rate, 2010, 5.9; 2011, 4.9; 2012, 5.0; 2013 up to the second quarter, the first quarter was 3.7, the second quarter was 3.5 per cent unemployment. These are realities. These are facts.

I want to say something about two issues that he raised, the hon. Sen. Dr. Henry. I do want to raise one of these issues here because I have it on my document here. [*Searches for document*] I do not know, I seem to have misplaced it. The story had to do with Dr. Roger Hosein saying that if you were to take away the URP and CEPEP workers then the unemployment rate would be about 10 per cent. We do not dispute that. We do not argue with that. We know that it is a reality.

We know also that there are members of the private sector crying out for workers, and that many of these are absorbed by the CEPEP and URP programmes, and that there is a disconnect and an economic management issue that has to do with the management of this labour pool and how you make that transition between the state sector and the private sector. But I want to say something to you, in 2012 I came to this Parliament and I said we know what the solution to the problem is, that we have a problem of, first of all, having a dual economy—[*Interruption*]

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. The Hon. G. Singh*]

Question put and agreed to.

Mr. Vice-President: Hon. Minister.

Sen. The Hon. Dr. B. Tewarie: Thank you very much, Mr. Vice-President. Thank you very much, hon. Senators. Thank you very much, Leader of Government Business in the Senate.

I said in 2012 that we had a structural problem. We have, first of all, a dual economy and that is why diversification is so hard. I also said that we do have a problem in which the energy economy is paying for everything in the country, and a significant proportion of the energy resources, the revenue—which are taxpayers' dollars, really, earned by the taxpayer—after it is transferred from energy, in fact is disbursed in subsidies and a number of things like that, including make-work programmes, such as URP, et cetera.

I said at that time, I asked the Opposition at that time, I said if we were to take some hard decisions about cutting the subsidies to the state enterprises, and if we were to take some hard decisions about cutting the programmes, such as URP and CEPEP, what would you do? Would you support the Government for making the right economic decisions or would you go out into the street and rant and rave about how the Government was cutting subsidies and creating joblessness, and how the Government was putting people out of work and killing the URP programme and so on? I put it starkly to the Opposition that time because I understood what the reality of this situation was.

In 2010, when we came into office, during that recession period from 2009, it would have been impossible to do anything about URP and CEPEP. You would have had riots in the place if you had closed down those things. Therefore, what we tried to do was reform them. That went, first of all, from CEPEP and URP, it went to a Ministry, then it went to the Prime Minister's office, then the Prime Minister divested it into three separate sections, having to do with different parts of the economy, social programmes, agriculture, development programmes in the community, community work, et cetera, and to introduce and add to it the training component that was necessary. All of that has gone on in a very structured and organized way, and it would be possible, with proper training, to manage the transition of these people.

I do not challenge for a bit what Dr. Roger Hosein said in the newspapers. I know it to be true, but the point is the reality of CEPEP and URP, notwithstanding the nature of the unemployment, and you heard from the Minister of Finance and the Economy what had been done in terms of the number of projects, so that it is not that unproductive as one may think, because it has been organized, it has been targeted in a certain way, but we do need to create the conditions for a sustainable economy. I agree with that position. It is something we inherited. It is something that we could not discontinue. It is something that we have to manage, but we have to manage with sensitivity for the people involved in it, with a skills-building strategy and with an expanding private sector economy.

Before 2012, the private sector in this country was not expanding and, therefore, you could not throw people out on the street and not have them expand, to be absorbed by an expanding economy. Therefore, we had done what was the prudent thing to do, what was a good lesson in political management of the situation and, at the same time, not destabilizing the economy in any way [*Desk thumping*] because we proceeded to grow and to develop. I want to say that there are major Government achievements that are worthy of consideration, that are worthy of mentioning in this country.

I think that you need to understand that in terms of the way we have been spending, and there has been criticism about the way that we have been spending, the tertiary education participation rate is now 57 per cent. The target is 60 per cent [*Desk thumping*] next year. We are going to meet it. The tertiary education facilities are being increased. COSTAATT in the Sangre Grande campus is open, with over 400 students enrolled. The Tobago Technology Centre was established. An integrated university campus for Tobago was approved and discussions are taking place with the House of Assembly now because of the different views as to how this should be done. A UWI campus is scheduled to open its doors by 2015.

The Planning and Facilitation of Development Bill was laid in the Senate and will go to the Lower House, the other place. The Public Procurement and Disposal of Public Property Bill was also laid in the Senate and debated, passed, and it will go to the Lower House.

The Land for the Landless Programme, over 40,000 applications were received for that. This was narrowed down to people not owning a property and, ultimately, you had a first allocation of 500. The Land Settlement Agency is on track to deliver 10,000 lots over the next year. [*Desk thumping*] Caroni workers, over 2,000 of them received leases to land. The FairShare Programme under the Ministry of Labour and Small and Micro Enterprise Development awards

contracts, specifically, to small and micro enterprises for sums up to TT $1 million. The programme has nearly 500 applications with nearly half basically qualifying for it.

3.10 p.m.

So it is not that we have URP alone and we are sitting with that; we are doing a number of things to help people to help themselves. Anybody who is not receiving education today or skills and does not have it, it is because they do not want it. I tell you.

There are a zillion opportunities for people to improve themselves in Trinidad and Tobago. [*Interruption*]

Sen. Robinson-Regis: What is a zillion?

Sen. The Hon. Dr. B. Tewarie: What is that? You understand what I am saying. [*Laughter*] You are just provoking me; it is not necessary. There are opportunities of every kind for people who want to help themselves. But I want to go on to where the money is being spent, and I want to focus on that.

First of all, the money is being spent in the key areas that are priorities in the Government's medium-term policy. The first one is that it is being spent, of course, in crime and law and order. It is being spent in agriculture and food security. It is being spent in health care services and hospitals. It is being spent on economic growth, job creation, competitiveness and innovation, and it is being spent on poverty reduction and human capital development.

What is happening in terms of actual allocation to the various Ministries? The Ministries that are to receive increased funding—they are not really a Ministry, but first of all the Parliament itself is going to receive $10.6 million; then there is the Ministry of National Security, then there is the Ministry of Legal Affairs. And we could say what they are for, you know.

The funding for Parliament, the additional funding for restoration of the Red House and the technical team, is required for the continuation of the archaeological works being undertaken in the Red House. Ministry of National Security, $78 million to meet the contractual obligations with AgustaWestland Incorporated, for four twin-turbine helicopters. Ministry of Legal Affairs, $21.1 million for critical projects. Polymer paper for the printing of birth, death and marriage certificates, to avoid the shortage of these certificates, and especially birth certificates. IDB-funded strengthening of the information system at the Registrar General's Office and national consultation on constitutional reform for work already done. Ministry of Food Production, $20.7 million, recommended for the food basket and for the road programme and 15 large commercial farms.

Did they say that these were for unproductive expenditure? Expenditure in unproductive areas? Did I hear somebody say that? Does that make sense? Agriculture, agricultural production, large farms.

Additional funding for priority projects in the Ministry of Education, $124 million—eight primary schools scheduled for completion by June 2014. Improvements, refurbishments and extensions to primary schools, $40 million for 17 secondary schools under construction. [*Desk thumping*] Mr. Vice-President, $40 million for procurement of furniture and equipment. Ministry of Health, procurement of major medical equipment for the National Oncology Centre, to deal with cancer. Ministry of Energy and Energy Affairs, $36 million under the IDF for work having to do with Galeota.

I want to say something about these ports that are taking place. We did a port rationalization study. Galeota is almost finished now, and Cabinet has already taken a decision because of the Galeota port, to build a new highway through Princes Town into Mayaro. [*Desk thumping*] What this means is that the Galeota port, which is an energy port, has really opened up that part of the country. These two narrow roads we have—we have the Valencia Highway on the one side, and we are going to have the other one going to Mayaro. What this means is that you are going to have a transformation of that eastern part of the country. [*Interruption*]

Mr. Vice-President: Hon. Minister, you have three minutes.

Sen. The Hon. Dr. B. Tewarie: And so with the other decisions that are being made related to port rationalization in this country, if we were to develop the port in La Brea, that again, together with the Mitsubishi investment, is going to give a big boost and fillip to that south-western part of the country.

So these are the things that we are doing. We are doing things that are making a difference. Ministry of Local Government—I will not read all the allocations, but I do want to say that some Ministries have performed very, very well, and may be regarded as the high-performing Ministries in terms of the allocations given to them.

The Ministry of Housing and Urban Development, 64 per cent performance; Ministry of Sport, 56 per cent performance; Ministry of Public Utilities, 53 per cent performance; Ministry of Local Government, 44 per cent performance. Ministry of Education, 42 per cent performance; Ministry of Science and Technology, 39 per cent performance; Ministry of Tertiary and Skills Training, 39 per cent; Ministry of Trade and Industry, 32 per cent. So the PSIP allocation has

been spent, and they are spending and doing the work and producing the goods and services for the country. All of this in developmental works and productive enterprises, and the allocations are simply to support the five priorities and the areas of priorities for the Government and people of Trinidad and Tobago, according to the medium-term framework.

This is a normal process that takes place in government. You budget at the beginning, you come in the midterm to do the reviews, et cetera. There are very meticulous procedures that we engage in order to do this. There are many Ministries that came for all kinds of funding, but we limited the funding to the areas in which projects are either likely to be finished in 2014 or likely to be finished in 2015. When we come to the next budget, we will budget for a longer period, because the PSIP is now on a three-year cycle.

Mr. Vice-President, with those words, I want to thank you very much for the opportunity to contribute. [*Desk thumping*]

Sen. Faris Al-Rawi: Thank you, Mr. Vice-President. The last three minutes of the hon. Minister's contribution reminded me of a World Cup match that you are just waiting on to end, but thank you, hon. Minister, for your contribution.

I rise to join in this debate, and I wish for the benefit of the population to put this into context. We as a Senate stand here limited by section 64 of the Constitution. We are dealing with a money Bill, in the proper sense, as defined in the Constitution, one certified by the Speaker of the House of Representatives as such, and as a Senate we are stymied in the ability to affect the work of the House of Representatives.

This Bill before us seeks to do two things. Firstly, it seeks to supplement the appropriation given to this Government already in the existing budgetary cycle, and it seeks to make a variation of expenditure. So it does two things. The supplementation and the variation happen by way of five simple little clauses in this Bill, and when you put it into precise context, we are affecting 30 Ministries or entities upward, in terms of providing more money to 30 entities, and we are taking money from five Ministries or entities and drawing money away from them.

In terms of big-ticket items, the Ministry of Finance and the Economy is receiving close to $1.7 billion. The Ministry of Health, close to $300 million; local government, close to half a billion dollars; National Security, close to $90 million; Food Production, close to $150 million; Works and Infrastructure, $220 million, and Tertiary Education, $190 million, average figures.

In terms of Ministries which are affected downwards, we are seeing, in particular, big-ticket items again: $10 million down from the Ministry of Public Administration; approximately $30 million from the Ministry of Justice, being taken away from that Ministry, and approximately $143 million away from the Ministry of Housing and Urban Development.

The hon. Minister of Finance and the Economy is a very affable person. He is non-offensive in any approach that he makes. He tries to stick to platitudes. He gives you a very crisp, clean version of the details which we as a Parliament consider. We are in the Westminster style of debate and, therefore, it is incumbent upon the Opposition to interrogate the Government as to its performance.

But, Mr. Vice-President, the system is so broken as a Parliament, that when we deal in the House of Representatives, the Lower House, with this Bill, what you really deal with is a confirmation, a Motion to adopt the Report of the Finance Committee. The Minister of Finance and the Economy sits, he pilots a Motion to adopt certain manoeuvres, that Motion. There is a Finance Committee that sits, and the Members of the Opposition and the Members of the Government sit opposite each other and you ask questions.

A report is produced, questions are answered in writing and then a debate starts on the Bill. The House of Representatives deals with it and it comes to the Senate. Senate cannot affect the work of the House. If we stand here all day today, do not agree on anything that happens in this House, Parliament goes away and never bothers, it goes to the President for assent. So the fact is that we are dealing with an exercise almost in futility, and the Government treats it that way, Mr. Vice-President, most respectfully. I will tell you why I say that.

First of all, the fact is that in the Finance Committee the Government undertook to answer all of the questions put to it. If you looked at the House of Representatives as I did, if you read the unrevised *Hansard* contributions as I have, you will see that question after question after question put to the hon. Minister of Finance and the Economy has not been answered. Massive loopholes in the explanation as to whether we as a country have received value for money.

Mr. Vice-President, we have heard in this debate so far the hon. Minister of Planning and Sustainable Development tell us, "Well, it is irresponsible of the Opposition to say that there is unproductive spending. It is an indictment against the Opposition to say take care of your debt to GDP ratios which are dangerously high." He says, "Where did that come from?"

While I was sitting here, I pulled up the parliamentary *Hansard* reports for the years 2007, 2008, 2009 and I read the hon. Kamla Persad-Bissessar's contributions in those years. Mr. Vice-President, I wonder if the Minister of Planning and Sustainable Development ever read any of the contributions of Mrs. Kamla Persad-Bissessar, sitting in Opposition as she did, as the Leader of the Opposition, saying time and again that 30 per cent debt to GDP ratio was dangerously high, [*Desk thumping*] that the Government ought to publish the Scott Ryder report. She said, "Put it on the table. Lay it in the Parliament. Publish it."

We have a Minister of Energy and Energy Affairs in the Senate here, not once have I seen him publish the report. They spoke in Opposition about gas audit, "Produce the gas price. Put the gas price contract into the Parliament. Show the people of Trinidad and Tobago"—big and bold, as if they would never see the corridors of power. In power, in Government, not a word from them. How did my learned colleague put it the other day? He said not a note, not a drum beat. You remember those words the other day?

I find it hypocritical in the extreme, for this Government, having raised the debt ceiling limit of Trinidad and Tobago in Motions before the Parliament in 2011, I believe it was—we raised the debt ceiling limit by 1,000 per cent-plus, allowing state companies to borrow money 1,000 per cent over—for them to come now and to tell us, "Opposition, how dare you talk about debt to GDP ratio?"—when you will not deliver a single word of what you said whilst you were in Opposition.

3.25 p.m.

Now, Mr. Vice-President, I want to address only a few areas this afternoon because they deserve to be drilled down to. The first area that I wish to touch on is the ridiculous story that the Prime Minister of Trinidad and Tobago is trying to feed the people. And, Mr. Vice-President, this will concern you in your other capacity when you sit—sitting as you do as the comrade that you are.

Mr. Vice-President, Mrs. Persad-Bissessar, hon. Prime Minister that she is, head of the National Security Council, managing the Cabinet of Trinidad and Tobago under section 75 of the Constitution, appointing Ministers under section 79 of the Constitution to run the affairs of this country, or not as the case may be, has to say in the House of Representatives on June 25—just last week—2014, that over $1 billion of this appropriation that we are dealing with because, Mr. Vice-President you know that we are appropriating to the budget $3,820,601,879 on top of the $375 billion already spent by this Government in the last four years.

So we are now, Mr. Vice-President, close to $380 billion in actual expenditure budgets. Putting it in context, putting it comparatively across, the PNM in nearly 10 years spent $271 billion. So, we are leaps and bounds ahead of that. We spent $271 billion when the inflation rate in Trinidad and Tobago was under pressure because of global inflation, building projects, left, right and centre. This building is one of these projects, and I will come to buildings in a moment because my learned colleague, the Minister of Planning and Sustainable Development raised it.

Mr. Vice-President, Mrs. Persad-Bissessar says, out of this $3.8 billion that $1 billion is to go to benefit 18,900 persons. She says:

> "We have settled 83 wage disputes"—page 9 of her contribution.
>
> She says 88,000 people are going to be benefited, and she names them:
>
> "Statutory Authorities Act, 32,767;"—people—"prison service…officers, 2,624; fire officers, 2,607; police"—officers—"7,711; teachers"—and she goes on.

She says here:

> "And what is important to note is that all those numbers that I read out, the 88,668, a large majority of those workers had not been paid by the former regime. They never settled their salaries, so they were spending the money, but they did not find money with all these appropriation, I told you about, all"—those—"increases and so on…"

Mr. Vice-President, I was moved to find myself down at the Industrial Court to check the Prime Minister's boldfaced allegations that this Government is doing what no other Government did before. Mr. Vice-President, I am in a state of shock at the shamelessness of the allegations of the Prime Minister. [*Desk thumping*] And let me tell you why.

I have here the statistics from the Industrial Court. Collective agreements, essential services collective agreements and special tribunal collective agreements. You know, Mr. Vice-President, there are three types of collective agreements that are registered. The Industrial Relations Act, Chap. 88:01 of the Laws of the Republic of Trinidad and Tobago says specifically what must be registered, the First Schedule to the Act describes what essential services are, collective agreements are set out in the provisions of the law. You must register your collective agreements. It is the law.

So, what does the hon. Prime Minister tell us—no Government ever did this. I have the figures 2000 to 2013, every collective agreement in the three divisions listed out. Yeah, I must shout for people who do not understand. Two thousand, Mr. Vice-President, this Government came into power in 2010. In June 2010, they came into active saddle because on May 24 they were elected. What happened?

In the period 2010 to 2013: 2010 the Government registered of collective agreements 77; 2011, 44; 2012, 30; 2013, 13. Of the essential services they registered two in 2010, none in 2011, none in 2012, one in 2013. Of the special tribunal collective tribunal agreements, they registered seven in 2010; 2011, one; 2012, two and in 2013 none. So the summary figures for collective agreements in 2010 to 2013, 164 because it bridges the gap prior to the Government coming into effect. They have as well three under essential services collective agreements and they have 10 under special tribunal.

Mr. Vice-President, I counted the collective agreements that the PNM would have dealt with in a five-year period between 2009 and I went back for the five years. Do you know what they are—sorry, I counted it for a four-year period. I gave them a lagniappe. Mr. Vice-President, in the four-year period immediately prior to this Government's—because they would be in the fifth year now—the PNM would have registered 357 collective agreements versus the UNC's 164. The PNM would have registered 11 essential services collective agreements versus the UNC's three. [*Desk thumping*] The PNM would have registered 36 special tribunal collective agreements versus their 10. These are the facts and figures coming out of the Industrial Court.

In the period coming back further, the PNM would have registered 593 collective agreements versus the UNC's 164; 23 collective agreements on the essential services side versus their three, and 64 collective agreements on the special tribunal side. What nonsense is this Government talking? [*Desk thumping*] They have the temerity to stand up and misrepresent figures, facts and circumstances.

Madam Prime Minister, through you, Mr. Vice-President, wherever she may be, and for those taking notes for her, the people of Trinidad and Tobago are educated. They can read, they can get research. When you have spent close to $400,000 million—$400 billion—almost a half of a zillion dollars in the precise terminology of the Minister of Planning and Sustainable Development, you must be careful to remember that people can go and research. So do not try to come and pass off this smoke and mirrors trickery on the people of Trinidad and Tobago. [*Desk thumping*] Never before in Trinidad and Tobago has a country been held captive the way this country has been held captive by the representations—justifiable as they may be at times by the unions, et cetera—since 2010. You forget the blue flu. You forget the marches up and down the streets of Trinidad and Tobago, Mr. Vice-President?

Sen. Ramlogan SC: Anyone was arrested? David Abdulah?

Sen. F. Al-Rawi: We are dealing with a shutdown of the Immigration Divisions. Trinidad and Tobago, the hon. Minister has just said a little while ago, Trinidad and Tobago witnessed a PNM Government come into power, build housing for public servants in Trinidad and Tobago, in Port of Spain, one million square feet of space of first class accommodation—such as this building, such as the tower next door, where every Minister opposite fighting to find a spot inside. The Hyatt that they fighting to have dinner in every night, and drinks every night. The Prime Minister's residence that she is fighting not to live in, despite saying she would not live there, in the Diplomatic Centre. [*Desk thumping*]

But, Mr. Vice-President, you know what the tragedy is? Whilst this population is held hostage to an unexplained trade dispute in Trinidad and Tobago—because it can be explained, and action can happen and I will deal with that in a second. We have a million square feet of space rotting in Trinidad and Tobago, and why? Because the PNM built it, because the truth that the public servants deserve to have good quality accommodation with no occupational, health and safety issues so that they could occupy them properly, and work, and service the needs of citizens of Trinidad and Tobago because the shame of that is what they cannot admit. Is that why people with medical issues cannot travel out of Trinidad and Tobago? Is that why we cannot get passports collected in Trinidad and Tobago? But hear the best, Mr. Vice-President, honourable comrade that you are, sitting in a different position.

Mr. Vice-President, you know what is spectacular, as I hear the grumblings of one of the most silent parliamentarians in the history of Trinidad and Tobago, the Minister of Justice, who I will come to in a minute. [*Crosstalk*] But, Mr. Vice-President, let me say this, the Government of Trinidad and Tobago has an Attorney General. The Government of Trinidad and Tobago has Errol Mc Leod, Member of Parliament, "big man" in the trade union industry, in the movement, at one point. You believe, Mr. Vice-President, we as a nation cannot understand what the issue in the trade union movement is that forces the "industrial action" that is going on right now? Can you believe that we have a Minister of Labour, Small and Micro Enterprise Development who Mrs. Persad-Bissessar, hon. Prime Minister, is lauding in her debate in contributing on this Bill in the House, and he cannot yet find himself present to explain why the citizens of this country are not being given answers in relation to the reasons for the shutdown?

Hon. Senator: "Dats dey boy. Dats their partner."

Sen. F. Al-Rawi: Can you believe, Mr. Vice-President, that no one has approached the Industrial Court for assistance? Is there a need to? We do not know? The Attorney General, I am sure, in his contribution will tell us, how he is seeking—

Today on the news coming to Parliament, I heard Mr. Watson Duke say that the airport will be shut down on Friday. No flights in; no flights out. The Industrial Relations Act, Chap. 88:01 of the Laws of the Republic of Trinidad and Tobago, First Schedule, essential industries and essential services, First Schedule and Second Schedule. Essential services include civil aviation services. What is the Government waiting on to tell the citizens of this country, why they will not demand compliance with the laws of Trinidad and Tobago? Are they to fiddle while Rome burns because they have a diplomatic passport and could travel? You see any Minister cannot travel, across me, hon. Vice-President?

Hon. Senator: "Nah, they going all over the place."

Sen. F. Al-Rawi: All over the place, up and down, free to fly—literally; free to fly.

Hon. Senator: And flying free.

Sen. F. Al-Rawi: And "ah hearing ah talking rubbish" from the next most silent Minister in the history of Trinidad and Tobago, Sen. Marlene Coudray.

Sen. Coudray: You would not like to hear me comment on that.

Sen. F. Al-Rawi: Make two contributions in this House since she has been appointed. [*Crosstalk*] Anyhow, I will come to her just now.

So, Mr. Vice-President, the fact is, this Government has no excuse as to why it cannot deal with this situation. Is it wages? Is it terms? Is it conditions? Why have they not occupied the buildings opposite there that were built for and paid for by the previous Government? No excuse.

Mr. Vice-President, I want to deal with another very significant issue. The hon. Sen. Dr. Tewarie, who has just left the Chamber—[*Interruption*]

Sen. Hadeed: No. No. He is here.

Sen. Dr. Tewarie: I am right here.

Sen. F. Al-Rawi: Oh, I am sorry. I did not see him. The grey hair was blurred in one go. He produced a very interesting report here today, Mr. Vice-President, glossy as it always is, yellow all over the report, typical UNC style. Listen to it, Mr. Vice-President:

"Government of the Republic of Trinidad and Tobago Achievements"—big and bold—

"ALIGNED TO GOVERNMENT'S FRAMEWORK FOR SUSTAINABLE DEVELOPMENT COMMITMENTS

Review of the Government's 2010 Official Policy Framework MINISTRY OF PLANNING AND SUSTAINABLE DEVELOPMENT

March 31st, 2014"

Mr. Vice-President, I asked for this book the minute I heard that this report, this book was being laid today, and I thumbed through the book. Hon. Minister, you really read this book? I do not think you have, you know.

"Policy Shift 3,

Review of Achievements and Progress

The crime and personal security issues will be decidedly improved and the justice system overhauled resulting in faith that justice will be done and seen to be done. Poverty will also be reduced on a systematic basis and the quality of life in individual homes will be further."

3.40 p.m.

Mr. Vice-President, first page 27 dealing with this, "Actual Achievements" it says. Hear this one:

"Recidivism Rate

Baseline 2010 53.4%

2012 50.0%

The methodology used to calculate the recidivism rate…"—is stated inside of there.

Source of information, Ministry of National Security.

Sen. Ramlogan SC: So, what is wrong with that?

Sen. F. Al-Rawi: "Homicide detection rate

Targets to 2015, Increase Homicide Detection Rate to 25% by 2015

2012"—baseline rate—"15.4%

2010"—baseline rate, blank.

You know why it is blank, Mr. Vice-President? Apart from the fact that the Central Statistical Office "cyar" even get off the ground, "cyar" publish a statistic for four years now, we are relying upon himself to tell himself what himself is doing, so he could please himself and pat himself on the back. Right? [*Desk thumping*] Ministry to Ministry.

Apart from that, here we have baseline rate, blank. You know what the baseline rate from the Trinidad and Tobago Police Service is, Mr. Vice-President? I have said it in this Parliament all the time, you know what the baseline rate for 2010 was? Thirty-six per cent. Detection rate, they say 15.4 per cent. You know what the real detection rate for homicide is? Three per cent. We dropped 33 per cent inexplicably, and you know why, Mr. Vice-President? I want to go to my second point. Just dealing with the rubbish that this book puts out that cannot be tolerated, a waste of money in terms of production, starting off with every page being yellow alone, it should cause suspicion in your mind. But, Mr. Vice-President—[*Interruption*]

Sen. Dr. Tewarie: That is all you want to do.

Sen. F. Al-Rawi: I am telling you facts, hon. Minister. Until you produce one report from the CSO then I will start talking to you. [*Desk thumping*]

Sen. Dr. Tewarie: We produce inflation rate every year.

Sen. F. Al-Rawi: Listen to this one, we are talking about why crime is up. This Bill proposes something which I propose to discuss in three piles.

Sen. Dr. Tewarie: You have absolutely nothing to say. Just talk, talk, nothing to say.

Sen. F. Al-Rawi: The three piles are what the Minister of National Security says, what the Ministry of Finance and the Economy says, and the third one is what the persons in Opposition to those two say.

And the issue that I want to deal with is the issue that features in this Bill of the request for $32 million more for the LifeSport Programme. Mr. Vice-President, you will know that the 2012 budget for this programme was $6,647,000. You will know, Mr. Vice-President, under the heading "Transfers to State Enterprises", that $154,133,000 was transferred to the sport company for repayment of a $72 million loan. You will know that $32.8 million is requested here, and when you add that to the $267 million that they have already received, you are looking at $300 million for this programme.

So, we have a most curious and dangerous situation in Trinidad and Tobago. What is that, Mr. Vice-President? We have the Prime Minister of Trinidad and Tobago—the head of the National Security Council—and the Minister of Sport, saying to the country, and I will read it, Mr. Vice-President, for you, lest you think that I am mistaken. June 21, publication in *Guardian* media, story by Radhica Sookraj, heading: "Life sport not funding criminals—Kamla"; June 23rd, "Lifesport request $32m more", *Trinidad Express* newspaper, story by Asha Javeed; June 27, *Trinidad Express*, story again, heading: "Marchan 'not cleared' to speak on behalf of programme"; July 01, "Carapo Life Sport supervisor: Anil the best MP ever".

We turn over now to the situation of a supposed audit, and you see some interesting—I did a snippet. There are hundreds of articles and blogs on this. *Newsday*, June 03, 2014, Andre Bagoo, "Auditor General cites discrepancies in LifeSport"—Programme; June 12, "Howai on Life Sport audit: Probers need more time", story by Gail Alexander; June 12, again, "PSs gets six weeks to deal with issues over accounting", story by Radhica Sookraj.

Then you have an interesting set of articles, and here they are. I want to read the headlines into the record. *Newsday*, Andre Bagoo, June 11, headline, "Griffith targets criminal elements in Life Sport"—Programme; June 26, "Bullets for Bodyguard" *Trinidad Express* newspaper, story by Alexander Bruzual; *Newsday*, June 30, "Warner: Marchan files for police"; July 01, "Griffith on Life Sport invitation to politicians: No negotiations with criminals".

So, we have in Trinidad and Tobago a story where the Minister of National Security is a Senator, appointed by the Prime Minister herself under section 79 of the Constitution, to handle national security affairs, is telling the population over and over again, that there are ghost gangs, that there is criminality, that he will not negotiate with the criminals in, that the citizens of this country are being held hostage and ransom by the members of the LifeSport Programme—no less a person than the Minister of National Security.

On the other hand, "Anil is the best MP ever. Kamla"—the article says. Not me calling her that. That would be disrespectful. "Life Sport not funding criminals—Kamla". The Prime Minister and the Minister of Sport, on another team saying, no criminals, not funding criminal activity, not us. And then you have a Minister of Finance and the Economy caught in the middle saying, "I need more time. Please give me more time." And the more time that they ask for, is in the context of there being an Auditor General's report in Trinidad and Tobago, which speaks to some staggering statistics.

The Auditor General, Mr. Vice-President, lest we forget, has been on record as saying that there are discrepancies of over 1,200 per cent increase in expenditure in the Ministry of Sport, as saying that there are multiple entities receiving contracts which appear to be the same contracts, just in different divisions, and we have the Auditor General cautioning that there is to be an urgent and precise audit inside of this. You have the Auditor General's Report of 2012, of 2013, which deal with issues concerning provision of catering services. Listen to what Andre Bagoo had to say on Tuesday, June 03, 2014:

> "In a review of expenditure of accounting officers, the Auditor General, Sharman Ottley, flags questions over invoices relating to mysterious companies and purported duplicated payments to programme participants across several areas and to the same…bank account. 'Three invoices for equal amounts totalling $259,350 for catering of meals…in 3 different areas—Marabella, Morvant and Bagatelle—did not reflect any business address or telephone contact number for the supplier…"'

It goes on to talk about discrepancies in relation to contracts dealing with recreation grounds:

> '"Five payments totalling $680,455 were seen to be made to 2 companies with…common Director for work of the same description undertaken at 5 recreation grounds, namely Maloney, Samaroo, Mayaro, Moruga and Morne Diablo.' The issue had a previous incarnation.
>
> 'Serious concerns were expressed in the 2012 Report of the Auditor General on the Public Accounts about payments totalling"—$1.9 million odd—"made to one of these companies,' stated in the Report."

So, Mr. Vice-President, we have a situation where this Government is watching the Auditor General begging since 2012, begging since 2013; newspaper reports left, right and centre, talking about it, and yet, last Friday on my television, who was thumping the desk to near breaking point? Mrs. Kamla Persad-Bissessar, the Prime Minister of Trinidad and Tobago, the head of the National Security Council—while Anil Roberts, Member of Parliament as he is for D'Abadie/O'Meara, was saying, "long live the LifeSport Programme". [*Desk thumping*]

Not even a pause to explain the inconsistencies and the discourtesy to the hon. Minister of National Security.

Hon. Senator: Exactly.

Sen. F. Al-Rawi: Not John Brown, you know. You know the Standing Orders, Mr. Vice-President, prescribe that I refer to the hon. Minister of National Security as Sen. The Hon. Gary Griffith, Capt. Gary Griffith, or the Minister with his portfolio. I cannot just call him Gary Griffith. It would offend the Standing Orders, out of respect for the work that he does. But, the Prime Minister, the head of the National Security Council, stands up and deals with this issue by saying, "no criminality". The Minister is saying in today's newspaper, the hon. Minister of National Security:

> "We will not negotiate with criminals in any way."

This is taken from Geisha Kowlessar's article, July 01, 2014 in the *Guardian*. He says, I quote:

> ""These people getting on too ridiculous now. 'Any child would see there are questionable activities going on in Life Sport and they behaving as if it is the best thing since sliced bread. They are trying to fool the country"—by saying that—"there are no criminal connections in Life Sport…that is undermining the intelligence of this country and they are fooling no one.' He described the invitation as a 'cosmetic arrangement,' saying it would be an attempt to get away from the fact that there were ghost gangs and financial impropriety taking place in the programme."

Not my words.

Sen. Robinson-Regis: Whose words are they?

Sen. F. Al-Rawi: Words of the Minister of National Security in today's newspaper. [*Desk thumping*]

And the Prime Minister and the hon. Minister of Sport want us to say nothing. Want us to say, "let us move along, do not worry about it". You see, Mr. Vice-President, I will tell you why, because they expect us to fall for gimmickry.

Let me show you another example of gimmickry today. To the hon. Minister of Planning and Sustainable Development, I want him to read page 30 of this glossy waste-a-time magazine, that says, "Policy Shift 3". Listen to this one, Mr. Vice-President, page 29:

> "Manifesto Commitments—Modernize physical infrastructure and amenities to boost morale and…productivity"

Next column headed:

> "Actual Achievements"—hear the actual achievements, not blank this time—"Establishment of…

- A National Disaster Risk Reduction Committee
- Upgrading of fingerprint and Photography…
- Installation of CCTV at sixteen (16) locations…
- Plans are currently underway for construction of a…Forensics facility…"

Turn over to page 30, listen to this one under "Actual Achievements":

"Implementation of programmes such as counseling and mentorship…

Progress has also been made through passage of significant legislation such as:

- The Anti-Gang Bill
- The Anti-Terrorism Bill
- The Firearms Bill
- The Children's Life Fund Bill
- The Financial Intelligence Unit…"

Sen. Dr. Tewarie: What is wrong about any of that?

Sen. F. Al-Rawi: But, put that now in the context of what comes next, page 31: "Actual Achievements":

"Construction of Six (6) Purpose-built Supreme Courts of Judicature Buildings."

Sen. Robinson-Regis: Where? Where?

Sen. F. Al-Rawi: Now it goes:

"Pre-construction activities completed for the following Courts:

1. Trincity (4 Courts)
2. Carlsen Field (8 Courts)

Pre-construction activities on-going for the following Courts:

1. Sangre Grande (8 Courts)
2. Penal (8 Courts)
3. Malabar (7 Courts)
4. Roxborough (2) Courts".

Not a blade of grass cut. And you know why, Mr. Vice-President? Because the Central Tenders Board procurement procedures in relation to these judicial centres was breached with impunity by the Ministry of Justice. Let me repeat it, breached with impunity by the Ministry of Justice. Illegal, it did not happen, not a blade of grass cut.

Listen to this, page 31:

"Legislation to improve the Criminal Justice System include:

- Administration of Justice (Indictable Proceedings) Act, 2011—An act to abolish Preliminary Inquiry (P.I.) assented to and awaiting Proclamation."

3.55 p.m.

Good Lord, God Almighty, Minister, do you know that the Lower House is repealing this law? Before you spend the taxpayers' money of Trinidad and Tobago you could not check your facts? Honestly, how much you spend to produce this? Mr. Vice-President, it is scandalous. I will leave that for another point because I have two more points I want to deal with.

Mr. Vice-President, under the LifeSport Programme there is a situation where catering services are ongoing in this country. It has been said, Mr. Vice-President, it is all over the media, repeated, repeated, repeated, Minister of Sports, everybody. Catering services are provided to the members of the LifeSport Programme—$75 a day for food; 3,000-odd participants, multiplied by $75 a day, multiplied by 31 days for the month. Dr. Henry will help me with the mathematics there, right? What do we get when we take that simple calculation? That is 3,000 multiplied by $75, right, $6.975 million in catering for one year. Right?

Mr. Vice-President, I am putting this on the record and I want the Members of this Senate to listen. I am advised that the catering contract amounting to $6.75 million that the beneficiary of that contract, I am advised, is the wife of the Permanent Secretary for the Ministry of Sport.

Hon. Senators: "Wow, oh my."

Sen. F. Al-Rawi: You hear what I just said, Mr. Vice-President? I am advised that the Permanent Secretary for the Minister of Sport is not in Trinidad because he is applying for US citizenship and cannot leave the US right now.

Sen. Robinson-Regis: He on the run.

Hon. Senator: He is afraid of the Minister.

Sen. F. Al-Rawi: I am advised that whilst the Government is spending $75 for a lunch—[*Interruption*]

Sen. Cudjoe: She could real cook.

Sen. F. Al-Rawi:—do you know how much the school feeding programme sells a lunch for, Mr. Vice-President?

Sen. Robinson-Regis: Tell us, tell us.

Sen. F. Al-Rawi: So $75 for a lunch in the LifeSport Programme, right? You have productive spending according to the Minister of Planning and Sustainable Development. The lunch provided by the School Feeding Programme, take a guess? The menu includes: bake chicken, tomato sauce, saffron rice, chunky veg, curry stew, split peas—good lunch. They have a breakfast too: porridge, cereal and milk, franks and onions and tomatoes, whole grain hops, fruits and they go on and on, big long menu. A lunch, $9 a box—[*Interruption*]

Sen. Robinson-Regis: For the children?

Sen. F. Al-Rawi: Nine dollars a box. Breakfast $6.63 a box, but it is okay. "Doh ask meh bout $75." That is fine. Do not question the productivity of my spending. I am not to be questioned in any form or fashion because I passed a procurement Bill in this Senate.

Sen. Dr. Tewarie: Would the hon. Senator give way?

Sen. F. Al-Rawi: Just give me a minute, I will go at the end.

Sen. Robinson-Regis: No, no.

Sen. F. Al-Rawi: I passed, as a Government saying—I am putting it in the first person—a procurement Bill in the Senate, so do not worry to check my spending. All good value for money, but it does not stop there, you know, Mr. Vice-President. Listen to the story about the recreational grounds and community centres.

Sen. Robinson-Regis: Tell us.

Sen. F. Al-Rawi: Mr. Vice-President, hopefully, when Ms. Coudray, Sen. Coudray speaks in her robust contribution to come, she will tell us as she knows or ought to know, local government entities, municipal corporations, regional corporations, city corporations are charged with the responsibility of maintenance of green spaces, parks, et cetera. That means they have to clean it, cut the grass, prune the trees, manage it, done for free by virtue of the subvention paid to them out of the Consolidated Fund.

The Ministry of Sport, however, is in fact paying $200,000 to cut grounds; grounds that are managed and cut by the regional authorities, the municipal corporations. The Ministry of Sport, this LifeSport Programme I am advised—to use the Prime Minister's famous expression—they are now paying for the services while the grass is being cut by the regional corporation. And I am advised, and I am making a very serious allegation today, that it is the people inside of the Ministry that are certifying that lunches are being provided at $75, that grounds are being cut and that people are turning up and cutting the grass when it is not them, and that community centres are being cleaned when the Ministry of Community Development actually does the cleaning and actually pays for it out of their subventions.

Bills are coming from the Ministry of Sport in respect of catering; in respect of cleaning of community centres and in respect of the cutting of grass, where no services are provided on a fabricated bill, on a fabricated invoice, where the cheques are paid to the recipients who get them, 20 per cent is kept by the person who cashes the cheque and 80 per cent is kept by the members involved in the racket.

And I am further advised that the educational moneys set aside in the LifeSport Programme of $34 million was not only not launched and never done—[*Interruption*]

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. C. Robinson-Regis*]

Question put and agreed to.

Sen. F. Al-Rawi: [*Desk thumping*] So, Mr. Vice-President, I was saying that the $34 million spent, I am advised, was divvied up again by crooks and charlatans who took the money, and I want to caution the Government, I am advised that evidence exists in relation to this.

I have been in this Senate now for four years and two months, and I have never made the kind of allegations that I have just laid across the floor, never. But, Mr. Vice-President, I am making them today, and I am making them because there is an obstinate insistence on the part of the Government to try and fool the citizens of this country into believing that they are doing something. [*Desk thumping*]

We are requisitioning money under this programme here today to go to the Ministry of Sport which is supposedly under the Ministry of National Security, but not yet—$8.8 million past expenditure, and the rest of the $32 million, they are not sure just yet, but they will check. But you know what the audit involves?—mobilizing people to go to 41 centres, having given them one month's notice when the story first broke, to say in a month's time I am coming to check you to see how many people you have there that are supposed to be employed. So you expect the people to stay home that day? You expect them not to be fabricating invoices all now?

This Government expects that this audit is going to yield something. You are going to arrive at centres where you are telling people, I am coming to check that you have been faking the number of participants in your programme. They say you have ghosts. You were supposed to have 30 people, they say you have five and I am coming to check you in a month's time to check if you have 30 people. What do you expect?

But, Mr. Vice-President, we have a death threat statement by a coordinator in the programme, telling us—Miss Marchan, she was threatened—telling us that her bodyguard came to her in the *Express* interview, was there and that he was killed, murdered. We have the Minister of Sport last Friday telling us no connection to the programme, and it is littered in the *Express* newspaper and every other newspaper that the man is supposed to be, "a son of the imam in Carapo", hired to hire these people, but he has no connection—an audit is happening.

The Prime Minister of Trinidad and Tobago had the army surround her house, sandbags everywhere, big guns ready to shoot, assassination attempt . You have a woman in Trinidad and Tobago being kept at the leisure and pleasure of the new entity for state witness protection, which is Minister Jack Warner, as he was once before, [*Laughter and desk thumping*] now Member for Chaguanas West, new witness protection programme, woman being kept by him, criminal evidence on a computer, he is holding on to it.

The police in Trinidad and Tobago checking racial placard when the cameras point out right there who was doing it. Ask Mr. Phillip Alexander where he was when those placards were being put out. Who was outside the Parliament watching the placards? Ask him. I saw him with my own eyes. Police checking that and this lady is in witness protection courtesy the Member for Chaguanas West, and evidence there. And the AG, silent, cannot find him.

Sen. Ramlogan SC: It is impolite to interrupt. I will have my say.

Sen. F. Al-Rawi: The AG calls for an investigation in the PCA leaking of a report. Big and bold in the newspapers, up and down, up and down, AG, I want report, treason. Sen. Lalla was close to tears when I asked him on a joint television programme if it is really treason. He could not admit it. But, Mr. Vice-President, it was tragedy. So this Government says, do as I say not as I do. Trust "meh" while "ah" spending $75 for lunch, "ah" giving it to someone else. You could get it for $8 or $6 or $2 through the school feeding programme, but do not check me because I laid a procurement Bill, I clean, I good to go.

Mr. Vice-President, I wish I had an hour. If I tell you how much information I have today.

Sen. Coudray: Take my hour, take my hour.

Sen. F. Al-Rawi: But there is a critical issue burning in the Ministry of Health—[*Interruption*]

Sen. Hadeed: Would you make way?

Sen. F. Al-Rawi: No. There is a critical issue arising in the Ministry of Health. We have a Minister of Health who has cracked out a statement, cracked out a statement. He says, six weeks' time no more internship programme for one year. He said you are going to take a locum, which means you will be on contract for one month, new interns. You graduated already, "ah dropping this news on yuh", take a locum for one month and instead I am going to tell you, me, the Minister, that you now have two years to do internship, just like that.

Mr. Vice-President, I want to put the Government and the Attorney General, in particular, upon notice that the Medical Board Act said specifically, Chap. 29:50 of the Revised Laws of the Republic of Trinidad and Tobago. They say, at section 20 at the Powers of Council, section 20(1)(e):

> "The Council, subject to the approval of the Board, shall have power to make such rules or regulations as it deems necessary for carrying the purposes and provisions of this Act into effect, and, without restricting the generality thereof for all or any of the following purposes—"
>
> Listen to this one:
>
> "(e) with respect to the determination of the professional qualification and experience including internship required of an applicant for registration or for a temporary licence, and to proof of professional conduct and general fitness to practise medicine."

Does the AG remember the term "ultra vires"? Hon. AG, when you walked up and down the corridors of the courts as you did quite successfully in dealing with constitutional issues? Are we to tell these medical interns now, it is okay, the Minister could rewrite the laws, in breach of the laws, because the Minister says so? The Minister could put you on a one-month contract for locum without consultation to you and tell you if you do not like it, go up the islands. Let us deal with that point.

4.10 p.m.

Does this Government remember that we have a Treaty of Chaguaramas? Does it remember that we have a CSME? Does it remember that if you go abroad in the Caricom, do the one-year internship at hospitals that need attention where you could see 10 patients in accident and emergency as opposed to 400 in Trinidad, that you could come back to Trinidad after one year and work under CSME? Did they even think that through?

Mr. Vice-President, we have allocations inside the Ministry of the Attorney General to pay for a very important report, a report which dealt with the death of baby Simeon, and that report, unfortunately, is not a novel thing. There was a report into the death of Crystal Bodier Ramkissoon. The evidence coming out of both reports, without going into the details of it, basically say the RHAs are in a mess. The system is broken down because the senior doctors are not pulling their weight; or the system has broken down, lack of blood, lack of essential equipment, et cetera. That is what both reports essentially say. Dr. Petronella Manning, neonatal specialist as she is, serving on the committee, was on television this morning trying to say that the extrapolation of her report is being taken out of context and that the problem does not lie with the junior doctors, that it lies with the supervision by the senior doctors.

The discussion coming out of the persons who were not consulted by the effect of the Ministry of Health's dictate to the junior doctors—unlawful, unconstitutional dictate to the doctors—unlawful, unconstitutional, dictate as it is, is something that cannot be sustained because we are hitting a knee-jerk reaction to a systemic issue. What could have possessed my good friend, the hon. Minister of Health, to have done this? Well, I realized that maybe his advisors gave him the wrong advice because he came here to pilot the Nurses and Midwives Registration Act and he had to do it five times. Start and stop, start and stop, three times to come, but start and stop with breaks in-between. It was so much—can I use the word "rubbish"? The legislation brought was so much rubbish that it was evident that the drafters of the Bill never read the Act, and when they "inter-splice" the amendments into the Act, it made absolutely no sense.

So, hon. Attorney General, I hope and pray that you will lend urgent legal assistance, acting for the State as you must, to assist these interns that are now thrown to the wilds of the wind. We have not contemplated the 2004 treaty. We have not contemplated the CSME back door. We have not given the consultation that is required. The direction of the Minister which is being insisted upon, the calls are going to the junior doctors, the interns. Right now, as of today, they are getting calls saying, "You have to sign it or you will get nothing at all".

Mr. Vice-President, you would be aware, particularly aware, that you cannot affect, if I borrow the terminology from the industrial relations principles, the terms and conditions of someone negatively without their consent. You must know that. That is ABC industrial relations law. Where is Minister Mc Leod in all of this? Is MPATT not a member to be considered in good recognition by the Minister of Labour and Small and Micro Enterprise Development? Where is he? Which party does he represent? The MSJ "throw him out long time". Up and down on the stage like an elder statesmen, who is he representing?

Sen. Cudjoe: Himself.

Sen. F. Al-Rawi: Is it himself unto himself to tell himself to pat himself on the back? Is it? Because they are not acting in accordance with the law, and I take strong objection to that. Mr. Vice-President, how much time do I have?

Mr. Vice-President: You have two minutes.

Sen. F. Al-Rawi: Mr. Vice-President, in the two minutes that I have, I would like to say that it is intolerable that the Minister of National Security could be in open contradiction with the Prime Minister and the Members of her Government. I want to do something. I want the hon. Minister of National Security to note, in respect of the fire service, Piarco Airport is likely to be shut down because the fire appliances there have no nitrogen. The fire service cannot respond to an incident with dry powder.

The auxiliary batch at the fire service are not being paid and are not being brought into the system in similar provisions which would allow for the scrutiny of the Public Service Commission for notice. They are using money for allowances to pay people brought through the back door and not paying allowances due to existing fire officers. Equipment is under repaired, vehicles in need of repairs, water coolers and the AC units in the units, lack of uniforms, lack of stationery files, and one man alone has been promoted in 10 years, the Chief Fire Officer.

Mr. Vice-President, if the airport has to be shut down on Friday, it certainly cannot be as a result of the PSA because civil aviation as an essential service under the Industrial Relations Act cannot see that happen. I demand that the Government stand up today and tell us what the problem is with the Public Services Association, tell us what they are going to do about it and give the commitment to treat the public workers, the officers, the employees, the persons in the trade unions, public servants, with the decency that they deserve for the benefit of their own taxpaying dollars by putting them into the buildings that they have refused to occupy for four years.

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

Sen. Dr. Dhanayshar Mahabir: Thank you very much, Mr. Vice-President, for this opportunity to contribute to this debate on the Finance (Supplementation and Variation of Appropriation) (Financial Year 2014) Bill.

Mr. Vice-President, I recalled up to a decade ago that budgeting in this country consisted of one document. It was a document that was presented at the beginning of the fiscal year. At one time it was December, then later on it was converted to September, sometimes October, but up to 2003 we did have one particular document, the Appropriation Bill, and it was very rare that this notion of a Finance (Supplementary Appropriation) Bill was introduced as a matter of convention.

One understands a variation, for during the course of a year—and nine months have elapsed in the fiscal year. One understands that there would be an alteration of priorities, there would be certain demands in certain Ministries where there would be a need to shift funds, to remove from one Ministry as the priorities are changing and to spend in another. But when one focuses on the supplementary, Mr. Vice-President, what we observed is that since 2004 it has become more the norm than the exception. I recalled the year 2004 because it was a year when, for the first time, the Government experienced an injection in natural gas revenues, and there were so many pent-up demands that the Government of the day, at the time, expanded the expenditure of the State by some $12 billion. Of course, that had repercussions for inflations, but there was a supplementary Appropriation Bill at that time.

Since then, it seems as though we are not confining ourselves to the projected expenditures and revenues that we indicated we were going to spend and raise at the beginning of the fiscal year, and one wonders whether we have lost some discipline in the art of budgeting. It is a discipline that we need, of course, to

reintroduce because while one can have a supplementary when you are experiencing an injection of revenue, when such injections have been less and less, and when in fact we are running fiscal deficits since, in fact, for the last five or six years we have been running continuous deficits and by all indications we are going to be experiencing deficits for a few more years, one is wondering whether, at this time, we do not need to reintroduce a level of discipline where we will confine ourselves to the expenditure levels projected at the beginning of the fiscal year.

When I examined the categories of expenditure that are being proposed, I see $1.6 billion in infrastructure, $1 billion extra in salaries and $1.2 billion in transfers. One wonders whether at the beginning of the fiscal year, Mr. Vice-President, the Government could not have anticipated that there were going to be wage negotiations to be concluded, and to make provisions at the beginning of the fiscal year for an extra $1 billion in salaries. It is not too difficult to look at what historically had been, over the previous three years, the types of salary agreements which were negotiated via the trade union movements, and to make some provisions and to place that into a fund in anticipation of an increase in salaries and wages which would arise during the course of the year.

This is not as far-fetched as it seems because during the course of a year a Government has obligations with respect to its debt servicing and it places into the sinking fund sums of moneys, so that when these obligations come due the Government will already have "pre-allocated" so that our debts will be continually serviced. It means that we need to undertake a kind of projection of expenditures based now on the fact that there will be anticipated increases in wages and salaries, so that at least for this category, the Minister of Finance and the Economy should not have to return to the Parliament for approval. He is not seeking our approval. He has to get that from the Lower House. And so, since he does not need approval of this bench or in fact the entire House, what we can do to make this exercise productive, Mr. Vice-President, is to offer some suggestions for the September budget that is sure to come.

So, one recommendation to the Minister is in the September budget that is to be presented in a few months' time—we are in the last quarter—that he will examine why in fact there were some problems with respect to expenditure forecasts, and to correct those errors so that we will not be, time and time again, coming back to the House and to the Senate for a supplementary vote on the budget. I think it would be very good discipline, Mr. Vice-President, if at some time we would return to the period where, once we tell the population we are

going to spend $61 billion we confine ourselves to that, save and except, when there is a natural disaster, calamity or some circumstance which could not reasonably be foreseen.

So, in looking at the efficiency of the process, I think there is much to be achieved via looking at the budgeting process to determine whether in fact we are as efficient in expenditure forecasting as we ought to be. And, if we find, Mr. Vice-President, that we are experiencing more expenditures than we had anticipated, the Minister of Finance and the Economy has to make a decision—economic, political and social—but he has to make a decision whether he is going to facilitate these expenditures in the last quarter, or whether he is going to place these expenditures in the next fiscal package that is to come, and we need then to look at the process of budgeting to determine if we could improve upon it.

4.25 p.m.

We are, of course, no doubt, very, very grateful that the Minister did not come to the House seeking to have any tax increase because, at one budget, the Minister did indicate that he was going to come back to indicate that he was looking at petroleum prices, and he may, in fact, change the price of super gasoline during the interval but that has not happened, and I suspect that is not going to happen. But really, I think once we indicate, at the beginning of the year, that there is this particular arrangement with the people, we should confine ourselves to that.

Be that as it may, let us ask ourselves some questions with respect to how this particular supplementary vote is going to correct some of the economic problems that we are currently experiencing. Despite the evidence superficially—and I commend the Minister of Finance and the Economy and the Minister of Planning and Sustainable Development for indicating to us exactly what the prevailing information suggests with respect to certain key economic indicators. But when we examine the economic situation a bit deeper, the reality is there is always an economic problem, and there is a problem with respect to correct information—information that is necessary for us to really understand or appreciate whether we are finally on a path of sustained growth or whether the growth we are seeing is ephemeral or temporary.

Let us examine, Mr. Vice-President, this critical issue of investments. Investments happen to be varied. The hon. Minister of Finance and the Economy was very clear with respect to one category, portfolio investments, to which I shall pay some attention later. But it would be very important, and important for the new fiscal package that we anticipate in a few months, for us to get some feel

on how the private sector in Trinidad and Tobago has been investing in fixed capital and equipment over the last few years. It would be important for there to be some assessment of the investment plans and projects of firms across the board, the private sector, in manufacturing, in services, in retail trade, in distribution, for us to know how the capital stock and the private sector is actually expanding.

Is it that the private sector is increasing its capital stock? If so, at what rate? Why do we need this information? An increase in the capital stock at the level of the private sector will indicate what is the productive capacity of the economy. It would indicate whether we are really preparing ourselves in view of the fact that the world economy is expanding now in many areas, and we are seeing some positive signs in Caricom. It is important for our domestic manufacturing sector to really have the plant and equipment, the physical facilities, the technical capabilities, to be able to service the expanding markets which, I suspect, the data is now telling us, will emerge over the next little while. So we need proper data on gross domestic capital formation. This was formerly done by the CSO and one hopes, of course, that a renewed Central Statistical Office will provide this particular data for us.

We would also like to get information on capacity utilization rates. You see, when we challenge the figures of economic growth, 2.5 per cent and above, it is done because there is uncertainty with respect to the capacity utilization rate of many productive agencies in the country. Is it that they are operating at full capacity? Is it that there is overtime rate, overtime activities? Is it that firms are working an extra shift or is it that they are still operating below capacity? This will give us a fairer indication of where we stand with respect to the growth potential of Trinidad and Tobago.

We also would like to get some information on the investments of individuals. The low interest rate environment in Trinidad and Tobago is conducive to individual investments, and we know that individuals are borrowing and they are spending on consumer durables. The sale of new cars is an indication that there is some influence of the interest rate on capital acquisition, but that does not increase the net worth of an individual. Are we seeing a great deal of home acquisition by the people of Trinidad and Tobago? Do we have a facility where there are a number of condominiums and starter homes available to the young workers? So that given the prevailing low interest rate environments, they will have an incentive to purchase a condominium as opposed to a new car. This is the norm in the North Atlantic. The young people actually try to build their equity in this way and not only in the purchase of gadgets and equipment.

If that is on the cards, then we know that there will be growth in the construction sector. If that is not so, are there policies in place so that we can have a programme available where there can be one-bedroom and two-bedroom condominiums available, so that a young person who wishes to obtain equity early can have access to one of these one-bedroom units for less than $600,000 in one of those well-designed high-rises. You see them all over the north now. I think the time has come in Trinidad where we need to give our young people that opportunity and that option so that they can start to build up their wealth and their equity early.

But, the challenge is that we need to have those types of real estate available, and this is where the contracting community, the private sector—not only the HDC, we do need for those who are involved in home construction—to look at this particular market in the prevailing interest rate environment, so that our young people will be able to build up equity early. And, one, of course, knows that a supplementary vote is not going to necessarily address this problem, but I think it is something that has to be of concern to the Government, and I will link this up to the pension issue.

We are going to get into a crisis with pensions and I raise this issue now of having young people, as soon as they begin to work, start to acquire equity early because the pension arrangements in this country will take a while to build, and I think it would be important for the young people to start building up their equity early.

We come also, in the area of investments, to portfolio investments. We have heard a great deal from the Minister of Finance and the Economy with respect to the FCB IPO and on what went wrong. I hold the view, Mr. Vice-President, that what occurred in the FCB IPO was not wrong at all. I think it was excellent on the part of the Minister of Finance and the Economy to have recognized that there was a problem there and a potential problem, and to attempt to correct that problem in the future. [*Desk thumping*] This problem could have easily been swept under and suppressed, but the fact that it is on the open does not mean that it is the first time in the history of our republic that we have had malfeasance in the stock market. It has occurred before. [*Desk thumping*] It was just never brought to the surface. It was courageous on the part of the Minister of Finance and the Economy to have raised the matter and to address it in the manner in which he did.

But one recalls that when RBTT was negotiating to sell to Royal Bank, there was talk that there were people who knew about the transaction, who accumulated huge stocks of that particular equity before the price rose. That was insider

trading. And yet and yet, we had an SEC that did nothing. In fact, what I find disappointing, disheartening and disconcerting is that we have had an SEC which allowed that particular document—[*Interruption*] Yeah. We have had an SEC that allowed the prospectus to go forward under FCB even though they are in the business of identifying errors in a prospectus.

We have had an SEC that, to this date, 18 years after being formed, has not yet brought a case to be prosecuted—not convicted. We know that the SEC of Trinidad is not the SEC of the United States. [*Interruption*] The SEC of the United States obtains—[*Interruption*] Yes, the SEC in the United States convicts some 100 cases per annum. We have not yet had a single prosecution and I think we are now—this FCB matter, to my mind, is really a move in a positive direction. [*Desk thumping*] It is telling us that there is white-collar crime, as my colleague, Sen. Small is indicating, it has always existed, and we must now take steps to ensure it can be minimized. We must recognize how critical it is.

The Clico fiasco was the greatest heist of the century. It makes a train robbery look like the robbery of a piggy bank. Now, we have a recognition that in the area of securities, corporate securities, the potential for wrongdoing is simply phenomenal, and I think it augurs well for future IPOs because now everyone will be doubly cautious with respect to trying to defraud the process.

Wherever something is in short supply, whenever there is a commodity that is in demand, there will always be an incentive for individuals to break the rules. And the FCB IPO was one where people knew they could not obtain—in fact, Mr. Vice-President, I did not apply for any. Not because the security was not good, I knew I might only get a thousand, it was not worth my while because of the allocation process. I did not know that if you knew somebody, you could get much more than a thousand.

Hon. Senator: Four hundred thousand.

Sen. Dr. D. Mahabir: You could get four hundred thousand, yes. [*Laughter*] But even if I knew, being the good and decent person that I am and also being someone who is afraid of jail, I would not have gone that route. [*Laughter*]

But the point here is that while we are concerned about the FCB IPO, the Minister has to understand that our stock market is really very narrow. We are slow to encourage new listings but yet there is a demand in Trinidad and Tobago for portfolio investment products. The recommendation here is that the Minister—and I will be speaking to the Minister again on this, because, you see, in the past, we did have a very vibrant bond market. In the 1980s, some of us who

were around would recall that on a continuing basis, the Government sold 5 per cent tax-free bonds. Many of us at the time, new into the labour force, would purchase these bonds on an ongoing basis, and so the Government chose a number of routes in which to raise funds to finance its needs. When it needed to borrow, it would float a very large bond issue, but also you could go at any time and purchase these 5 per cent tax-free savings bonds from which you got a tax concession, but these bonds were available to the general population without going through any brokers, without going through any intermediary.

4.40 p.m.

And so, it offered to the conservative investor—someone who does not understand the stocks and shares market, someone who does not understand equity—it offered to him safe tax-free Government bonds at an attractive interest rate so that he had an option to supplement his fixed deposits, and I think in trying to really expand the range of investment items available to the population, it is recommended that the Minister of Finance and the Economy give consideration, once again, to the introduction of a continuous sale of these bonds to the people, so that he will be raising moneys for a number of his purposes, from the population of the Republic, without going through a middleman, without going through an intermediary and this was somehow halted in the 1990s.

We have not seen its reintroduction, but surprisingly the Government of Canada has, as a continuous financing programme, Canada Savings Bonds. These are purchased on a daily basis by the people and it is used to finance the general needs of the Government of Canada and it is something, I think, we need to reintroduce, because the investment vehicles are limited and we want to ensure that people are not going to be attracted—because there is a shortage of equity—to junk bonds or to the type of Ponzi schemes that we saw in Hindu Credit Union and in Clico. So, we need to reintroduce those Government bonds, and there are vehicles that could be used.

The Minister of Finance and the Economy has the First Citizens Bank as his primary agent. He could have the Unit Trust Corporation selling these bonds continuously and other agents in the private sector, taking in a small fee to ensure that we can stimulate the bond market. We do need a secondary market in bonds and this, I think, is going to benefit, to a large extent, a number of our retirees, a number of people who are getting back pay. A lot of the back pay should not be spent. It should be invested. In order for it to be invested, I think we need to have the vehicles available and educate the people on the vehicles, so that they too will be partly responsible for their retirement expenditure.

This secondary market in bonds, the Government bonds and the retirement bond idea that I raised when we debated the fiscal package in September of last year, I think are ideas that you would need to expand and, of course, to stimulate, because we do need to create safe, secure products for investments, which will exceed the inflation rate and provide to people out there, an incentive to save for all their various needs—retirement, medical care, et cetera.

Mr. Vice-President, the supplementary appropriations really, I think, are raising some questions which we need to ponder. While we cannot change or amend any of the items, I think we can certainly recommend some positions where, hopefully, the public interest and the public welfare may be promoted. We need to really get a good handle on whether our economy is really diversifying at the rate that we would want it to diversify and whether we are re-engineering and retransforming our economy.

The petroleum sector, the energy sector, contributes over 90 per cent of our foreign exchange earnings. It employs approximately 5 per cent of our labour force. So it generates the foreign exchange for us. It is left up to the rest of the economy to utilize this foreign exchange earnings to finance a change in how we do business. Are we seeing, Mr. Vice-President, any change in the structure, the private sector structure, of the economy? Are we seeing new business entities that we never saw before?

In the area of high-tech in the new computer age, are we seeing new call centres? The International Financial Centre proposed by the former administration was meant, in some way, to use the new technologies to take advantage of the burgeoning financial economy, globally. Not much has come of that idea. But are we really exploiting the talents that we have in Trinidad and Tobago, to take advantage of some of the changes that we are seeing?

It is said, Mr. Vice-President, that the best way to predict the future is to create it. Are we creating a future, with respect to the natural talents we have? Are we seeing new manufacturing industries? Are our manufacturers aligning themselves so that they can be part of the global supply chain, not only looking at the Caricom market but producing small parts or pieces for the global economy? Have we recognized the benefits of small size? Are we seeing changes in our services sector? Are we seeing new activities related to the fields like computer animation and design? Trinidadians are creative. We have created many things in the past. We create good poetry. We create excellent literature. We create excellent musical instruments. But we also create a great deal of other things. And where are we, with respect to the creation industries, in relation to, say, the designs, and so on?

We need to be looking at countries abroad who have started certain activities from the ground up. Biotechnology in Singapore, only about a decade old. They were nowhere in there and they have suddenly gone into there because they have realized that their current way of doing business, which was excellent, was going to change. Mr. Vice-President, we would like to see exactly whether we are observing changes in the private sector, and if we are not, are we engaging in a national dialogue with them, so that they can identify their strengths and we can work with them so that these strengths can be marketed globally.

This is now critical. The good thing for Trinidad and Tobago is that we have an entrepreneurial base. I think this particular base now has to see the world economy, the global market, as its marketplace. And when we look at the oil and gas sector we need to ask ourselves again, we have been fortunate with prices, but oil production—of which my colleague, Sen. Small would have, I imagine, much more to say—has been stagnating at 80,000 barrels per day and this is down. Are we finding the oil? Do we have any prospects for finding more oil over the medium term? Do we have any more prospects for making better use of our gas facilities?

I am sure our Minister of Energy and Energy Affairs will be looking at the future prospects of the energy sector, because this is critical now. This energy sector is critical. It generates our foreign exchange needs. We do not have a services sector that generates as much foreign exchange or can do it over the medium term. While we may frown upon it, we remain a monocrop economy, with respect to foreign exchange earnings and one hopes, of course, that there is no precipitous fall in the price of oil. My colleague Sen. Henry was quite right when he indicated we need to paint a scenario on what are we going to do just in case the price of oil falls, not that we think it will happen, but then again that is one market I have learnt not to predict.

Let us, Mr. Vice-President, focus on another vexing issue, an issue which ought to be addressed. We have 12 months of import cover. That means Trinidad and Tobago does not need to export a single barrel of oil or a single MMBtu of gas for the next 12 months and we will be able to cover all of our foreign exchange needs.

Given that—and the norm is normally three months, so we are way above the norm—why is there this shortage of foreign exchange, which surprisingly the Minister of Finance and the Economy says, occurs in the month of June? Well, I never knew we always had a foreign exchange problem in June. I always thought we had a forex problem somewhere in October or November when importers

were importing more than necessary to equip themselves, not only for the Christmas season but for Carnival imports as well, a few months later. So, in the month of October or November you could expect a lot of invoices going in and the Central Bank knowing that over the last number of years.

We have been in this situation since 1993. So that the Central Bank would know that come September/October, there will be a great demand for imports, then it will make the necessary provisions to have the supply available. But to hear that in the month of June, we have always had a problem, to me, is more than surprising because, certainly, it cannot be on account of imports. This is not our peak period for demand. If it is not on account of imports, is it on account of foreign travel? Is it that we are suddenly travelling so much and the foreign exchange crisis is caused by a lot of people trying to obtain a couple thousand US to go and do a little shopping in Miami? Hardly likely, because the peak travel starts in July, when the holidays start. So that June is appearing, to me, to be a little bit spurious. Is it that we are in the month of June trying to purchase a lot of assets abroad? That is on the capital account, that we are buying houses, we are buying stocks and shares. It may be, but I think that warranted an explanation.

In all—my colleague, Sen. Vieira, is saying it is all mysterious. It is mysterious. I think it would have been beneficial because the foreign exchange market and exchange rate stability is critical for the economic health of a small, developing country. We are not yet developed, so we are developing and we are not big, so it means that we are small. Big means five million and more. So we have a definition of big. We are small and we are developing. And one does not wish to raise any question marks on the foreign exchange market, especially in light of the fact that since 1993, we have had a system that has worked reasonably well in the managed float system.

Is it that there are other reasons which will account for the demand for foreign exchange that the Government is not telling us about? Because one can identify no reasonable reason in the formal economy that will account for this excess demand for foreign exchange. There certainly is not a supply problem. [*Desk thumping*] It is not a supply problem. We have 12 months. It cannot be a demand problem from the formal economy. It has to be somewhere in the informal economy, agencies are demanding what they ought not to demand and using our petro dollars to send abroad and I think we need to understand whether, in fact, that informal—it could be the informal/illegal—economy is what kind of stress that is putting on our formal exchange rate.

My own position on the matter is this: if you are operating in the informal/illegal economy then get your foreign exchange elsewhere. The foreign exchange that is in the Central Bank, earned from the petrochemical and petroleum sector and sold by the commercial banks, is for the formal sector, to a large extent.

Let us now look at this particular notion of employment. The Government has accepted that employment may be not what the figures suggest. Let us look at employment in its truest sense. When someone is employed that individual is given a transfer of funds. In the old days, he was given a salarium. That is where the salary comes from. The salarium was salt. The Romans would give their soldiers a certain amount of salt—the salarium salt, that was their salary—for providing defence services.

4.55 p.m.

So that the employees of the Government, especially the soldiers, were always considered to be highly productive. They were employed; they were not just idling, whiling away having picnics, waiting for an enemy. They were dutifully employed, defending the realm and, hopefully, expanding the realm.

But whenever there is that employment in exchange for that salary, that wage, there has to be a certain amount of work done in exchange. That work then contributes to the gross domestic product of the country. We count that work as part of our national output. What we are saying really is that there are people who are employed who actually contribute to the national output. They are contributing goods; they are contributing services. It could be intellectual services. It could be rudimentary services, cleaning services, administrative services, clerical services; all services, because they are performing a need.

The immigration officers at the airport are all performing a critical social function. They are employed. They are not producing a physical good, a tangible commodity, but because of them we are able to ensure that our borders are secure and they keep our records and our registry of entrance and exits in the right order.

But when we are simply transferring money and that which is given in exchange is nominal or token, then that cannot reasonably be considered work; that has to be a transfer payment and I will have more to say on that shortly. We need to exclude from our statistics these transfers, so that we can get a true sense of how many people are employed really in legitimate activities and how many are simply obtaining a cheque in exchange for nominal work, minimal work.

Those who are obtaining the cheque for minimal work cannot reasonably be said to be employed. They are underemployed, if we are to be charitable, but really they are simply receiving a transfer or state subsidy and we do need to get our employment position correct. The unfortunate thing about employment statistics is that many jurisdictions have not yet agreed upon a particular procedure or protocol on how to measure the unemployed and this is a problem, not only in Trinidad, but across a number of jurisdictions as well. We need to get a procedure that is acceptable to us, so that we would really not be engaging in a debate as to whether the people are employed or unemployed.

When URP first started many, many years ago, it was really a make-work, a crash programme it was called, DEWD and so on. It was really meant to provide income for people while getting nominal work in exchange. It was never meant to be the type of programme which would be a project that the Government has created and work is offered at the same time. It was really: we offer you work and if we get something in exchange, then we are happy for that. So we do need to look at our employment statistics so that there can be little or no contention in this regard.

Debt servicing, Mr. Vice-President: this is an important problem. We need to look at two particular indicators: the debt stock to the GDP, that is the amount of debt that we have to the GDP and we compare it internationally. This is what we currently do, but Mr. Vice-President, what we need to get now—and I have asked for it and I am hoping that it will come in the September package—it would be good for us to obtain online—it does not have to be printed—every single item of Government indebtedness, whether it is $100,000 or $100 million. I would like to see what are all the loans, to whom? When did we contract it? What is the status? How much are we paying on an annual basis? When is it going to be retired?

Put it online! We do it for the PSIP. Let us have a proper debt monitoring unit so that that information is available, not only at the level of the State but also at the level of the state agencies. All of these contingent liabilities must be available for public scrutiny, so when WASA borrows, when T&TEC borrows and Petrotrin, and they ultimately become a liability to the taxpayer, it would have to be important for us to know at this time. Again, Mr. Vice-President, for transparency, good governance, let us know what the stock is on a timely basis.

In certain jurisdictions, you actually have the number flashing on these billboards—the national debt—and it is updated on an hourly basis or continuously. You are seeing what the debt is on an hourly basis in the United States. We know what it is and we know whether in fact it is a figure we can live with or one that we are uncomfortable with.

That is not the important point. That is an administrative point. The important point, in my mind, from an economic angle, is really—and the Minister of Finance and the Economy really said nothing about it—of the $61 billion—and we are going to an extra $4 billion of spending now—$61 billion plus $4 billion—we will have about a $65 billion budget now—how much of that really was allocated to debt servicing and how much of that was interest payments?

My own recollection of the figures is that we are going to spend a minimum of $6 billion or 10 per cent of our entire expenditure on debt servicing, so our debt servicing to Government's revenue ratio, which is really the critical figure, seems to be 10 per cent. Is it that the Minister is keeping to a lid of 10 per cent and he would like to allocate no more than 10 per cent of his revenues to debt? Then, clearly, I would say this is a target worth attaining.

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. Dr. R. Balgobin*]

Question put and agreed to.

Sen. Dr. D. Mahabir: [*Desk thumping*] Thank you very much esteemed colleague Sen. Dr. Balgobin and colleagues on the Independent Bench and in the House for this extension of time.

On the point on the ratio of interest payments to government revenues, this has always been the more important statistic with respect to debt management. The GDP belongs to everybody. To say that the debt to GDP ratio is managed and is under the norm of the EU, the 60 per cent of the EU, is only one piece of the equation.

The second is, given the stock that you have, how much of your current revenues are you using to service that stock? And right now it seems to be 10 per cent, which appears to me to be as much as, as high as I would like to see it go. I do not wish to see it go higher because the more you have to pay in interest payments on your debt, the less you have to finance your myriad other needs.

So it would be important for the Minister, in summing up, to let us know what is his target for interest payments on his debt. And since the interest payments are so large, it would be interesting to see what is the relationship between interest payments and his entire wages and salaries bill. It would appear to me—I suspect his wages and salaries bill may now be in the order of $10 billion, but his interest payment may be some 60 per cent, $6 billion in relation to $10 billion.

It is in this context that we raise the issue that the debt servicing might be problematic. It might be problematic for the citizens of Trinidad and Tobago; not necessarily for the IMF. I have looked at a lot of those IMF reports and I have looked at them very askance because whenever a country is not in a structural adjustment programme, the IMF reports tend to be very benign and they are very kind to you and they say wonderful things; and the moment you find yourself in a structural adjustment programme and you have to beg them cap in hand, the language of their report changes and they do not necessarily alert you to problems until the problems arise.

The IMF has been wrong time and time again with respect to growth forecasting in Trinidad. I have raised it with key staffers in the fund. How could you have a model which tells me that we will be growing at 2½ when it turns out to be minus 0.2? In my line of work, when that happens, we go right back to the drawing board and we see where we made the error; we correct that error so that we do not make that mistake again. The trick is every time you make a mistake, it has to be a new mistake. You ought not to make a mistake that you made two years ago. That is the iterative process.

So we do need always to keep a close eye on this particular debt stock, debt servicing and since the Minister is spending so much on interest payments, I come back: could we now make lemonade out of that lemon? Interest payments happen to be large. How do we do that? Well, $6 billion in interest payments, I would like every retiree in Trinidad and Tobago, I would like every citizen of Trinidad and Tobago to hold a piece of Government's paper so that we can share in that interest payment.

It should not be that it is the financial institutions that pool the savings of we the people, obtain these interest payments and then they give the people little. This is the problem I have had with government borrowing and I come back again to the 5 per cent tax-free bonds, where we buy these bonds directly. The financial community—the banks, the insurance companies, the mutual funds—they have been buying up the government paper, but they have been using our savings to do it and what do they give the people? They do not give them too much and, therefore, I want the Minister to recognize and cut the intermediary out. [*Desk thumping*] Let us give the paper to the people so that the people can have some financial power.

So, we have agencies, as I said before, Unit Trust Corporation, FCB, all the banks can sell government paper and I think the Minister ought to allocate in his mind a certain amount of his interest payments that will directly go to the

citizens—maybe half of that should go to the citizens; half can go to the institutional investors. This, in fact, will be trying to make the best out of a situation that is not the most agreeable.

On this particular area as well, we need to ask ourselves what is the target for the Heritage and Stabilisation Fund. The Minister has a problem with respect to pensions and, in relation to pensions, we know that there is one component that is not funded and this is the Old Age Pension. The Old Age Pension is a grant. Given the ageing of our population, given the structure of our society, then I suspect there will always be a growing pool of people who will be in need and in receipt of the Old Age Pension. They are not the individuals who were able to contribute to an NIS scheme or to a funded pension scheme. They depend upon the State to provide for them a certain amount of funds so that they can live comfortably in retirement and in old age.

We need now as a society to examine our heritage fund and ask ourselves certain questions now. What should be the target on that fund? It is now hovering at around $5 billion. Should it not be more than that? I have proposed a target of $15 billion. I have not gotten any position from the Government on it; but now with a $15 billion target, could we now engage in a national dialogue and debate that the interest earnings of this fund—if the society ever were to find itself in deep crisis as it found itself in the post-structural adjustment period 1985 to 1995 and we are finding it almost impossible to finance social needs—should we now have a huge HSF, generating an attractive interest return that can then be used to finance the retirement needs of the old age pensioners in Trinidad and Tobago who were not able to finance their own pension requirements?

And so we need to look at savings at the level of the State; savings, Mr. Vice-President, in the HSF to generate an interest rate of return to finance the consumption of people, the poorest in Trinidad and Tobago who during the course of their lifetime found it difficult or impossible to save. We need to be looking at pensions in this regard so that there will not only be efficiency, but equity.

5.10 p.m.

I know time is running out, Mr. Vice-President, and I did not realize I was going to talk so much on this particular Bill. I thought we were going to discuss judges today, but do not worry, judges will come next week. How much time do I have, Mr. Vice-President?

Mr. Vice-President: Seven minutes.

Sen. Dr. D. Mahabir: I have seven minutes. In seven minutes we can say a lot. [*Laughter*] In seven minutes, Mr. Vice-President, let me then focus on an issue that is topical and that is—we need to raise this—are we addressing, Mr. Vice-President, our social problems efficiently? When we look at the range of government programmes in Trinidad and Tobago, we see that there has been a plethora, an expansion. We have seen numerous programmes, but yet we are not seeing a major difference in some of the indicators that we would like to see change on account of these programmes.

We have programmes targeting the depressed areas—depressed urban areas. We need really, Mr. Vice-President, to examine every single programme and to ask ourselves: what would we really like these programmes to do? And if they are not working, to have the courage to eliminate them altogether, and simply make alternative arrangements to achieve the same objectives. Programmes, Mr. Vice-President, are programmes which must be designed; they must be administered; they must be supervised; and we know from experience there can be a tremendous amount of leakage. Too many undesirable recipients receive the benefits of the programme, and those who are in need are denied. We do not want that.

When you have a food card programme, you do not want the wealthy people having food cards, you want it for the poorest people—the mother with dependent children with no financial assistance, you want her to have adequate food to feed the little ones and herself, but you do not want that card then to go into hands where it becomes really misused and misappropriated. We need to ask ourselves whether the programmes we have are achieving the objectives and whether, in fact, we cannot scrap them, target the people in need and simply give them a cash transfer.

Let me repeat that! It might be heretical, but really is it going to be more efficient? Will we make better use of our scarce money if we simply scrap the programmes, target the people in need and give them a cheque and say—the way we do for the social assistance and disability grants and so on—you are in need of this programme, we have assessed you, come in and collect your cheque and there will be no leader out there in charge of distributing the cheque. The State will be responsible. In that way, we can eliminate a number of inefficiencies. We need, Mr. Vice-President, an intervention in the depressed areas.

Over the past week, we saw the passing of a national icon, Fr. Gerry Pantin. I have had the good fortune of actually meeting Fr. Pantin at the Servol Centre in the Beetham, and the ideas that are possessed there are simply phenomenal. There are people who know how to do things, and it is not the Government only. The

NGOs, the Government and the State can work together to ensure that there are proper interventions. We need to identify the needs of those poor individuals there. We need to identify whether, in fact, there are going to be more male teachers in the primary schools in those depressed areas. Could we have a programme where we have more male teachers in those schools? Those are things we need to be looking at so that we socialize accordingly.

Mr. Vice-President: You have two minutes.

Sen. Dr. D. Mahabir: Thank you very much, Mr. Vice-President. In conclusion, Mr. Vice-President, this particular exercise I think has been very valuable in that it has caused us to reappraise budgeting. I think we need to reintroduce discipline in budgets, and I am hoping that supplementary votes are going to be occasionally done and will not be the norm.

Mr. Vice-President, I think we need to re-evaluate all of our programmes so that we can get value for money in the social sector, and we need to keep an eye on whether our economy is transforming and growing, in particular our private sector. We are making some strides. The Government is making progress, I simply would like to see the hard data to support it so we will know whether the progress is sustained or temporary.

Mr. Vice-President, I think we have a lot of work still to do. A lot of work has been done, but I think that with the position that we need to be continually improving, we should be making some progress in the year ahead. Thank you very much. [*Desk thumping*]

Mr. Vice-President: Hon. Senators the time now is 5.16. I intend to take the tea break. This sitting is suspended until 6.00 p.m.

5.16 p.m.: *Sitting suspended.*

6.00 p.m.: *Sitting resumed*.

Mr. Vice-President: The session has convened and, therefore, we continue the debate on the Finance (Supplementation and Variation of Appropriation) Bill.

PROCEDURAL MOTION

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. Vice-President, having regard to that time of the day, I would like to move the extension of time 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 OF APPROPRIATION) (FINANCIAL YEAR 2014) BILL, 2014

The Minister of National Security (Sen. The Hon. Gary Griffith): Thank you, Mr. Vice-President. Mr. Vice-President, the time that I am here to deal with the Finance (Supplementation and Variation of Appropriation) Bill, 2014, there is a saying that if we do not change—as with everything in life—then we will not improve. So, it is quite obvious that unless you are a perfectionist—and, definitely, not even in a budget—can you have perfection. So, there would be changes.

In dealing with the Ministry of National Security, every year people will open their eyes and be shocked when they hear the cost of the budget for national security. This year it was close to $6 billion—$6,000 million—but the salary alone in the Ministry of National Security is over one-sixth of that. It is over $1 billion. Again, it is important that what we need to do—I heard Sen. Drayton when she spoke about changes of national security policies, changes in administration, but one thing that we really do not want is just to have that regurgitation of the same thing over and over, and it is not just recurring expenditure of salaries, it has to do with putting proper policies in place, and this is the difference between polices and crime plans.

If we have $6 billion, what we need is to ensure we have proper policies; proper projects that can then be used towards ensuring that the law enforcement agencies can work at optimum level. When I close, I would just elaborate on that.

But just dealing specifically with the aspects of the Ministry of National Security in this subject matter of $86,962,000, the primary project was the Ministry of National Security public safety digital communication system. Mr. Vice-President, the Ministry of National Security undertook the acquisition which involved management of the following in regard to the public safety digital communication system: the migration of the communication system of the Trinidad and Tobago Police Service and all first responder agencies from an analogue-based system to digital base; changing the public safety communication system to become fully compatible and interoperable with the most likely communication and IT configurations adopted for nationwide use by the Government of Trinidad and Tobago; as well as adaptation of the Trinidad and Tobago Police Service communication system through which the existing equipment, components and infrastructure would be used to the maximum extent

possible. That robust nature of the national security communication system will ensure that it requires only incremental increases in cost, maintenance and training.

Now, Mr. Vice-President, the importance of having this proper communication equipment which is just roughly $78 million, we cannot overemphasize the importance of it. Communication is a very critical aspect in national security. It makes very little sense to have all different fancy gadgets in national security—whether you have OPVs or blimps or SAUTT or national operation centres—unless you have a proper effective communication system—and the communication system should not just be based on communication between one arm and not having a link with the other. I can give you an example.

Years ago, when the blimp actually came into existence, there was no real-time information or data that came from the blimp to the law enforcement agencies. So, by doing that, what you really had was just a storage facility, and then days after the fact, you would realize what went wrong, and that is why the blimp was not as effective as it should have been, apart from the fact that it was prehistoric and probably it should have been used in the days of Fred Flintstone, because nowadays what you have is something that is more effective through the use of the UAV, and I will deal with that later. [*Interruption*]

6.05 p.m.

Sen. Robinson-Regis: The Flintstones had very good communication systems and transformation. [*Laughter*]

Sen. The Hon. G. Griffith: That is true, with the dinosaur.

So, Mr. Vice-President, what we have now is that communicational link, again, through the National Operations Centre. The National Operations Centre would be of value by ensuring—we can look at the E999 Rapid Response Unit, the Citizen Comfort Patrol, the Coast Guard vessels, the UAVs, the helicopters, and all of these different aspects of law enforcement, and even the police officer on the street, the one who is actually patrolling, he must have that type of communication that can have an immediate link to his immediate commander, and that commander must have an immediate link to that headquarters to ensure that you could have an immediate response.

If we do not have a system such as this, those few minutes that would be lost in that immediate communication can mean the difference between success and failure. It can mean the difference between life and death. So by a system such as

this, it ensures, for example, now through the E999 system, a citizen will make a call, that call can immediately be fed to the National Operations Centre. That National Operations Centre, again, will be able to pinpoint the police vehicles in the Rapid Response Unit or the Highway Patrol, or the Citizen Comfort Patrol, through GPS tracking. They will be able to pinpoint where those vehicles are, and the vehicle that is in closest proximity to that distress call can immediately get there to that response.

What does it do? What is the value for this? This ensures, firstly, a great deterrent. Crime being a product of opportunity, we have to ensure that the greater the deterrent, and understand, the greater the deterrent, the less likelihood someone would commit a crime because there is a greater possibility of him being apprehended. It also takes away that perception and fear of crime by having units in strategic locations. It will also ensure that you can utilize law enforcement agencies to prevent something that may have been a misdemeanour, a minor offence into something being more serious because of that immediate response.

Now this can only work through proper communication, Mr. Vice-President. So you get the call, it is fed to the National Operations Centre, they can immediately have that communication system to the police vehicle in closest proximity for them to get to that distress call. It will also ensure that those vehicles that get to that area can ascertain the situation, do a threat assessment and analyze whether it is that you should have proper backup, which will also protect the lives of the law enforcing officials.

So the whole concept of a proper safety digital communication system, it is very critical. It will work all the agencies together. I could give a simple example: back in the attempted coup in 1990, when I was a very junior officer in the Trinidad and Tobago Defence Force, we had very serious situations of "blue and blue". Which meant that we had areas of responsibility, we knew exactly where we were supposed to patrol as in the defence force, but the police had their areas of responsibility, and if there was no immediate link or communication through a headquarters, through a proper central coordinating communication system, the police will have their patrols, we will have our patrols, two o'clock in the morning lights are off and then after gunshots were being fired, and then you realized it was friendly forces against friendly forces. That is just a typical example of what happened in 1990.

Systems such as this will ensure, through that communication link, you are fully aware of where all your friendly forces are at all times. You are aware of the area of responsibility. You know where you are patrolling, and if something

happens, you can have an immediate call where the headquarters can then tell you, "Those are friendly forces". So that 1990 situation is just an example for something that, again, would not exist because of the security apparatus that we have now, but it shows the importance of us having that proper communicational link, that link to ensure that the Rapid Response Unit, if it is you can monitor them, you can see where the vehicles are. If three vehicles are all in one location, through the National Operations Centre, they can now immediately have the vehicles spread out so that you could maximize the use of the patrols at all areas and not have all the vehicles stay in one area.

So, Mr. Vice-President, I think that it can easily justify the concept for the safety digital communication system. Now I have heard certain statements by Sen. Drayton and a few others. She did speak, again, about SAUTT, and it is something that keeps popping up over and over and, again, dealing with this Bill, we have to look at expense and recurring expense, and it goes on and on. But when we have a situation like SAUTT, SAUTT could not have been involved in a Bill such as this, because in SAUTT you had $600-odd million per annum being spent. No tender process on anything at all, and that makes it very difficult when it comes to transparency, to accountability.

And I could give an example, again, of the blimp. The blimp was purchased, no one knew where it came from, how it happened, but what was important is that you had the blimp moving and 17 big "hard-back" men with a rope trying to hold it to try to make it land. It did not have real-time information. There was no video footage that you could feed because you did not have a National Operations Centre, and then because of that you could not have immediate patrols on the ground that if you see something in real time, it can be fed to the National Operations Centre, it can then be fed to the Rapid Response Unit for immediate interception. So the blimp was an "after the fact" situation. It took them years before they got their act together to have real time.

But, again, even that, going with the times with the blimp, it is very important, Mr. Vice-President, that when you have the structure for national security, you have to respect units, you have to respect organizations. You cannot just pick up a unit and say, "This is what we are going to call it", and not have the common courtesy to massage and have a buy-in to the frontline law enforcement officials, and that is the Trinidad and Tobago Police Service.

Now, the Trinidad and Tobago Police Service, they had very little say in the structure of SAUTT, and if you do not do that, you are not going to get buy-in. If you do not get buy-in then it becomes competitive, and it became even worse

when it is you selected individuals without any criteria other than probably people that a certain person may have known, and then he paid them $5,000 extra a month. That will destroy morale, it affects the whole system, and it continued. It continued to the fact that with the Special Anti-Crime Unit you had your own intelligence agency, that intelligence agency was also involved in interception so there were no checks and balances and then, above that, you have a structured intelligence agency that they were not allowed to or working with the SAUTT intelligence agency.

So when you have agencies tripping over each other, therein lies the problem. It happened again in 1990 because we did not have that. It happened in the era of the previous administration. What we have now, through the SSA, is one cohesive organized structure of intelligence where all information comes to one central location, the information is then turned into intelligence and then it goes right back to the communication system I speak about, where that intelligence can now be turned into a proper plan for a successful operation. Again with SAUTT, you have your intelligence agency competing, keeping their information to themselves because they want to compete.

So, again, you could go on with the concept of SAUTT, with the blimp. Now compare the blimp to what it is we are putting now, the UAVs, Unmanned Aerial Vehicles. Welcome to the 21st Century. These are the sort of things that we need to move forward with. This is not in any way to state that every single thing in SAUTT was incorrect. An agency such as that is something that is very important, but it is how it is structured, it is how it is done, because Sen. Drayton actually spoke about the importance of legislation. Now you needed that legislation for SAUTT, because SAUTT was an operation, they were operating by themselves. They were involved in operations. They were involved in raids. They were involved in crime scene investigation. They were involved in policing, and therein lies the difference.

So when you have an agency such as SAUTT that is involved in frontline operations, that is where legislation comes in. The difference with SAUTT and the National Operations Centre, it is chalk and cheese, whereas the National Operations Centre does just the opposite to SAUTT. SAUTT was competitive. SAUTT was extracting intelligence, extracting personnel, having their own operations, not playing ball with the police, and again going right back to the blimp. The Commissioner of Police at the time did not even know the blimp existed until he saw it flying overhead. How can you purchase a national security system that is so expensive and not have the buy-in from the Commissioner of Police? That shows blatant disrespect.

This is where again we have the importance of buying-in, making sure that you will respect your law enforcement agencies, and do not just say because we have issues, because we have problems in policing, because we do not think the police wants to play ball with us let us form our own unit and call it the Special Anti-Crime Unit. I do understand the concerns that we had in the previous administration and now, because sometimes the bureaucratic red tape. I could tell you, Mr. Vice-President, the major policies that I have been driving, I have been going very hard in certain directions and sometimes it will take months even after something is approved, but that has to do with our whole process, our tendering process, our whole process in the public service.

Recently, I asked for a Diet Coke in my office and I was told by a very senior public servant that I would need to get three quotations for a Diet Coke. So, obviously, I went downstairs and bought my Diet Coke and came upstairs. So if I had to get three quotations to get a Diet Coke, imagine if you needed to get a UAV or an armoured vehicle, or to form a special operation group or an indoor range, or a simulation theatre, what is going to happen? So as much as it is important that we put systems for transparency it affects productivity but, in the same manner, you do not just go and form a whole new unit and then sideline the Trinidad and Tobago Police Service. That is what will cause competition, it will cause bad blood, it will affect morale and that is where the problem took place.

Sen. Drayton also spoke about, as I mentioned, the legislation. Now the National Operations Centre, legislation is not required because the National Operations Centre is not seen and will not be competitive. It is not a unit formed by itself to go ahead as a frontline operation machinery. They are there to provide an ultimate communication support platform for all of the law enforcement agencies, and that is what was missing when one hand did not know what the other was doing. The police would be involved in an operation and the defence force may not have known. The SSA may have intelligence and they may not be able to pass it in real time to somebody in the police service. The Customs may have picked up something and they cannot pass it on to Coast Guard.

So what the National Operations Centre, what that does now, is ensure that all agencies work together; representatives all sit together, working together in real time, sharing information and having joint operations, and the success has shown. And, again, we can go right back to the reduction in crime or the fear perception in crime, two different things. It is a fact that within the last five years there has been a 25 to 60 per cent reduction in every major criminal activity in this country, Mr. Vice-President. [*Desk thumping*] Twenty-five to 60 per cent, and that is a

fact. It does not mean that we have reached but we are getting there. We are in the right direction and it is based on principles, it is based on policies, it is not based on crime plans.

I want to refer to an article here by a "PNM till he dead", Maxie Cuffie, "Ah born ah PNM an ah go die a PNM". Now Maxie Cuffie actually wrote an article that is quite comical, and it will emphasize the point where people actually believe that because you are affected in crime you feel that you are a crime expert. Remember the statement about all that you need to deal with national security is common sense and a level head? Mr, Vice-President, that went out years ago, decades ago. Crime now, the concept of criminology, it is a science. It involves empirical testing, data, research methodology, not just a perception of what you feel you should do, because everybody could have a crime plan, a 10, a 20, a 30 a 50-point crime plan. Governments do not provide crime plans. Let me say it now. I will give a quote from the Home Secretary in the United Kingdom that will emphasize that.

So when administrations want to come up with their 10, 20 100-point crime plans, those are ideas. There is very little research. There is very little data, because the concept in providing national security has to do with policies. The role of a Government is not to come up with a crime plan because no one here is trained in knowing how to deal with national security or criminology, what you have is knowing the proper management. The proper management for an administration is to ensure you provide the financial, the administrative and the logistic support for the law enforcement agencies, for the experts to go out and do their job. But if you just sit and say, "Listen, I want to form SAUTT", or you decide to go to the United Kingdom and you see a big vessel out there and say, "This will look good if we have CHOGM so I want to buy three of those", forget the fact that the area of responsibility is too much to what we want.

So going right back to Mr. Maxie "Ah born ah PNM an ah go dead ah PNM" Cuffie, he made mention of the—seeing that we have a repeat of what is taking place with SAUTT now, he said:

SAUTT, it is now the National Security Special Operations Group.

Very comical. This should have been on Cartoon Network. SAUTT was something that was totally different to the National Security Special Operations Group. I could tell you this, Mr. Vice-President, in SAUTT they had something called the DATS, and I ask anyone here to tell me what DATS stood for? D-A-T-S. The reason why no one here could explain what DATS is, is because it was a covert unit, nobody knew what they were doing. So DATS what that was about and that is why we had the problem with SAUTT.

6.20 p.m.

So when it is Maxie "Ah born ah PNM and ah go die a PNM" decides to write nonsense without analyzing and understanding national security, get your facts straight because I will debate anybody every day of the week and twice on Sundays to let them know that, listen when it is you write something, understand national security first. Because the DATS team was a unit that was formed. No one knew about it. You did not understand what their role and function was, how they were performing, what they were supposed to do, and it will give the impression that this is a "hit squad", an elite unit that would just be there for political purposes. No one knows or explained what DATS is, the Direct Action Task Force Team; that is what they were for.

Now, we have the National Security Special Operations Group. Everyone in Trinidad and Tobago knows about it because we have something called transparency, Mr. Vice-President. When we do something, it is just like the CIA, MI6, people are aware of it. There are certain operations and certain things that you do not let the country know, but you do not form a unit and do not let the country—you do not have them aware of what they are doing.

So we have formed the National Security Special Operations Group, and that group is trained, properly prepared for any type of counterterrorism activity, hostage negotiation or to deal with any individual or groups that feel they could try to destroy democracy as we know it. But again, because of transparency we have that unit. And the difference with the DATS team and the Special Operations Group—"PNM till ah dead", Maxie Cuffie does not understand, is the fact that the DATS teams they worked on their own. They reported to no one which was very dangerous. The Special Operations Group reports to the Chief of Defence Staff and the Commissioner of Police, and that is how it is supposed to work.

So what we are doing is not forming groups and then stating well, forget about the police, we have formed groups, we have formed units that can now move forward and actually be there as a front-line mechanism for the support of the Trinidad and Tobago Police Service or the Chief of Defence Staff.

Likewise he also spoke again about the OPV being known as the long-range patrol vessel. And again, Sen. Helen Drayton also mentioned it. But there is something I would like to commend the Opposition on—and well done—and it has to do with a man called Mariano Browne. Mariano Browne was not even good enough to be back in the PNM, but at the time he was the treasurer. So congrats to the PNM for getting rid of him. But listen, this same Mariano Browne and your previous Prime Minister, they were involved in negotiations and they were trying to support two things, Mr. Vice-President.

So when we deal with appropriation and with funding, $2 billion to purchase four helicopters. Mr. Vice-President, we can look at all of the things that took place under Mariano "ah doh know what ah doing" Browne, and the then Prime Minister, Patrick Manning. So, again, I do not know how many votes he got to go back as treasurer. I think it was about 12. I think, he got less than Minister Lincoln Douglas [*Crosstalk and laughter*] and he was the treasurer. But being the treasurer of a political party, and trying to justify helicopters—the helicopters, Mr. Vice-President, the cost was US $12 million. The Trinidad and Tobago taxpayers, we are paying over TT $500 million for each of those four helicopters. And what is very sad, Mr. Vice-President—[*Interruption*]

Sen. Hadeed: What you mean by it was only "US $ 12 million", and we are paying so much?

Sen. The Hon. G. Griffith: Yes. US $12 million is the cost for it, for one. And we paid, the cost is over TT $500 million. But again, Mr. Mariano Browne he showed reckless and irresponsible actions because I could even refer to the Indian Government recently when they shut down the contract with Agusta based on a lot—they cancelled the contract, and then Mariano Browne said that is because they were snubbed by the US for its treatment of an Indian consular officer.

The document will show that that cancellation took place way before then. So apart from somebody who was a treasurer of a political party making reckless statements, it is also to be noted that the person who was the CEO of AgustaWestland, when the AW139 contract was signed by the Government of Trinidad and Tobago, he has now been found guilty for a number of questionable activities. But Mariano Browne in his wisdom, or lack of, as a PNM treasurer, he tries to justify something of a helicopter that we are paying $500 million each that really and truly the cost is US $12 million.

Mr. Vice-President, so we will continue. We will continue again. We will look at the Agusta helicopter. The Agusta was sold in different countries as I said at $12 million apiece, but what made it even worse, Mr. Vice-President, we could not even get value for it. Again, based on reckless actions in knowing how the contract was done, and something called a 9Y registration was put in. And this had severe limits on the operational usage of the aircraft. Foreign contract pilots were put in place. The aircraft cannot effectively participate in any military or police operation.

Mr. Vice-President, if you recall when we had the major blackout, four helicopters at a cost of $2,000 million, we could not use. They were parked up there during the nationwide blackout, thanks to Mariano Browne and Patrick Manning. [*Desk thumping*] That is what they were trying to support.

Mr. Vice-President, the defence force where these helicopters belong they got a slap in their face. They cannot even get their own troops to go in the helicopter to fly from Trinidad to Tobago because military people cannot go in it with weapons. We cannot use the helicopters as much as we should. And this is not condemning the helicopter itself. The helicopter could be a good helicopter, but when you have bad management, when you have a bad treasurer of a political party, when you have a bad person in the Ministry of Finance and the Economy, and when you have bad Prime Ministers making bad decisions, we have to pay the price, Mr. Vice-President.

Mr. Vice-President, and then we could go on again to the defective radar that was based on poor maintenance, the defective blimps, the defective interceptors because of a poor tendering process. We had defective fast patrol vessels, six Austal vessels purchased and all of them were down because they were not the type of vessels required for our waters. And again, we go right back to the great OPV.

Mr. Vice-President, I do not know if we have to do a road march about this OPV. We keep hearing this OPV over and over and over again, and every time they bring up the OPV, I will keep saying it. You want a debate with the OPV? I will handle it. Because that, you see, it is a political thing, Mr. Vice-President. The more you keep saying something over and over you will get people to believe it. So they keep saying, "they shut down the OPV and that is why the borders are porous". Where are the weapons coming from? Where are the drugs coming from? Do we know? Do we know it is based on illegal ports of entry or legitimate ports of entry? What is your intelligence to state that? And that is the importance, Mr. Vice-President.

We could purchase 20 OPVs, we could purchase 100 blimps, we could have five different SAUTT, but unless intelligence—that is the most important thing, Mr. Vice-President. And the importance then is what we have done. Because in 2005 and 2008, there were security cooperation agreements between Trinidad and Tobago and Venezuela and Colombia, respectively; they were shut down because of attitude, arrogance. And then what we did, we have reignited that security cooperation agreement. So because of that, it is the first time you have actually heard Venezuela stating that at no time would they allow the Guardia Nacional to abuse their authority. They intend for the Guardia Nacional to work with the Trinidad and Tobago Coast Guard. They are now involved in joint operations. They are involved in something called "Ventri", Venezuela/Trinidad and Tobago operations. They are now involved in sharing information with Trinidad and Tobago's law enforcement agencies and intelligence agencies. As the same thing with Colombia.

And that is what is important, Mr. Vice-President—intelligence, sharing of information, working with your international intelligence allies, and not just trying to spend hundreds of millions of dollars on vessels that you do not actually know what is their role and function.

Now, Sen. Drayton did speak about the fact about the arbitration. But it is a fact, Mr. Vice-President, if I purchase something, I plan to sell something to you, and then you say well listen, there is a problem, and it goes to arbitration. And then the courts then say well listen, give him back all his money. What is the reason for doing that? The reason for doing that is because you tried to sell me a lemon. And that is what happened. You do not hand over all your money in a court unless there is a reason. We got back everything because they were lemons. You do not purchase any military equipment, you do not purchase a vessel with the combat system capability being defective. So you were going to purchase OPVs and try to pelt some big stones at the enemy. A whole weapon system was defective.

Sen. Hadeed: Shooting chenet.

Sen. The Hon. G. Griffith: And again, Mr. Vice-President, this is not in any way—the previous administration they had the idea, but because of visions of excitement to say well listen, look what I have, I have three battleships out there, they lost it. That ego is what caused it. You wanted to form this imaginary pipeline from Trinidad all up the Caribbean, and you wanted to purchase a vessel to secure the pipeline. You have not even started to build the pipeline, but you purchased the vessel.

So what the vessel was going to secure? The area of responsibility for the OPV, the concept of an offshore patrol vessel is to secure your exclusive economic zone. That exclusive economic zone would be securing rough waters, deep waters, open waters, and that is from 12 to 200 miles off the north and the east coasts. The problems we have with the illegal entry of drugs, weapons and human trafficking is not the open waters on the north and the east coasts. So when people continue to say, "they shut down the OPVs so they cause us to have our borders porous", they do not understand national security, Mr. Vice-President.

An OPV is not designed for that. The OPV was designed to secure your exclusive economic zone in the open waters. What will secure our borders is not to just go and purchase OPVs at a cost of $747 million each, where right now we are going to purchase—what you call it?—long-range patrol vessel, offshore patrol vessel. Brazil has changed it now to deep water patrol vessel; the same

vessels. I think they are defective there now too. But at hundreds of millions of dollars less, but making sure that it is effective and not defective, and we could do the same thing. And with the difference of that six, seven hundred million dollars saved, what we can do now which is what we are doing, is securing our borders in the right manner. So we are properly looking at the finance and utilizing our limited national security resources in an effective and efficient manner.

So by putting three OPVs way offshore, and it goes right back to one of the main costs, Mr. Vice-President, of the digital communicational system, if we did not have that digital communicational system, the OPV would not have been able to have an immediate link with the radar, with the police stations on the north and east coasts, with the other coast guard vessels. So how it is you are going to get that real time information? That shows the importance of that communication system.

But, Mr. Vice-President, again, by saving six, seven hundred million dollars, what we are able to do now is to utilize these resources towards securing that area of our porous borders by acquiring hovercraft, by acquiring proper interceptors, by acquiring coastal floating platforms which will be stationed two miles offshore, so the interceptors could be moored. That communication system that we speak about here in this Bill, Mr. Vice-President, for that $78 million will ensure that if the radar picks up a log leaving Venezuela, the radar now can have immediate link with the interceptor that can then pass on the information from the coastal floating platform given to the interceptor, the sailors that are on the interceptors can then immediately lock in. We will have GPS on these coastal vessels to monitor where they are, to lock them into where that vessel is; never happened before. And that is how you secure your border, Mr. Vice-President.

You also do not purchase six Austal vessels which is the second tier, because the first tier I just spoke about has to do with securing from the shoreline to two miles out. That is where you have your interceptors. That is where you have your hovercraft. That is where you have that continuous patrol in the low-lying waters. If it is that they break through that, the second tier has to do with coastal patrol vessels, vessels about 30 to 40 metres. And those vessels would secure that area from two to 10 miles out, and that is where we are acquiring the type of vessels to replace the Austal again based on a bad buy.

The third tier has to do with the acquisition of long-range patrol vessels, offshore patrol vessels—"tomayto, tomahto". The fact is we will ensure that it is effective—all right?—and not defective, that those vessels will be properly manned, properly utilized and we can get value for our dollar.

But again, Mr. Vice-President, if it is that we want to go all the way with these OPVs, we can again look at the promise that took place, we can even look at the shortage of crew. An OPV at that time, you would have required at least 80 properly trained coast guard personnel to secure, to man an OPV. Now if you do that, you have to have the turnover. You have to have the turnover every week or every two weeks, the personnel need to change—so that is 160. Then you also need to have that change for training, for persons on resettlement training, retirement. So, you are looking at probably 200 persons fully trained to properly ensure that an OPV gets maximum use; 200 by three would have been 600. Mr. Vice-President, we had less than 150. You know what that would have meant? They were pushing national security assets not equating with manpower acquisition. So those two OPVs would have just been parked up there, probably to be used to have all-inclusive fetes or something, because you did not have manpower to do it. And you cannot use it like a drone. You need manpower to have the OPV effective.

Again, Mr. Vice-President, it has been proven that because of our area of responsibility, that exclusive economic zone from 12 to 200 miles off the north and the east coasts, all you need to secure that was one OPV—one. You need a second probably for training. There was never a need for a third. That was $747 million that would have been wasted.

And again, we could continue, Mr. Vice-President, that the facilities were inadequate for the OPV—the lead time—there were always delays. There were gaps. And again, let us look at the big BAE. If you go online, Mr. Vice-President, "BAE/fraud", you will see that the BAE has been investigated for a series of fraud where it was alleged of paying kickbacks to government officials. Because look at Chile, the Czech Republic, Romania, Saudi Arabia, South Africa, Tanzania, Qatar, and the list goes on. So, you know, there is a saying, Mr. Vice-President, "thou protest too much".

And again, the OPV would have been another failure. And what we are doing now is, again, I am not here to play politics, I am here to give facts, to actually state that listen, we understood the concept of securing our borders, but let us stop with that old talk about OPV and the helicopters. The OPV and the helicopters, they were weighed, they were measured and found wanting. [*Desk thumping*]

6.35 p.m.

So, if you all want to continue to defend something that Mariano Browne was trying to defend—because he alone could explain why—but that was a failure. He failed as a treasurer, apparently he failed as a Minister in Finance and he failed the country by putting ridiculous assets and trying to defend it.

Mr. Vice-President, again, if we look at the—well, again, I spoke about the tactical units of the National Security Special Operations Group and, again, going back to the concern by Sen. Drayton of SAUTT, again, it is very important that we make sure we have proper training facilities. The special anti-crime unit, again, I am not one to throw out the baby with the bathwater. I understand the concept. I understand what it is they were trying to do, but they just went in the wrong direction. Again, all you have to do is look at statistics. You do not play with statistics, you give facts. SAUTT at its prime with the DATS team, with the million foreigners that came and were being paid $150,000 a month, and all of the fancy gadgets, with the blimps, with all of these things, the murder rate at its highest was 548 under the time of the special anti-crime unit.

So, Mr. Vice-President, the facts are there. Again, this is not to say that it is because of SAUTT that has caused it. But, what we are doing is, again, looking at the whole concept of having a proper system for operations, the importance of proper intelligence, having the units work together and, more importantly, training. You cannot have a facility like SAUTT and then have it specifically just for the individuals in the special anti-crime unit.

What we have now is the National Security Training Academy, and through the National Security Training Academy, all of the fancy things that we had under the special anti-crime unit, it can now be made available for each and every law enforcement officer without the capability for them to be properly trained. How do we expect them to perform? They cannot make gold from straw. They have to be given the tools; they have to be given the experience; they have to be given the training, and through the National Security Training Academy, we have all the systems you had in SAUTT that can now be given to the law enforcement officers.

This will include other aspects such as an indoor and outdoor shooting range, a simulation training theatre, an area to do defensive driving on hot pursuit, to do cordon and search, proper fitness facilities, customer service and public relations, which is very critical because that link between the citizen and the law enforcement officers—that gap—can only be bridged if it is that there is that element of trust, understanding and mutual respect, which is very important, and that is why we have now, customer service training and public relations in the National Security Training Academy that, before, was utilized specifically only for members of the special anti-crime unit.

Mr. Vice-President, again, going back to the importance of the National Operations Centre, when Sen. Drayton, again, was speaking about the great things of the special anti-crime unit, my concept is, the only way things—if it is you do

not change then you cannot improve and if it is that we have to do the same thing over and over, well, then how it is we can get improvement. Looking at the National Operations Centre, which we never had before, we are now having, as I said, the rapid response unit being monitored and providing real-time information. We have the CCTV feed of 1,000 cameras located throughout Trinidad and Tobago, all viewable now in real time.

We have helicopter giving real-time video footage. So, for example, Mr. Vice-President, it can be a serious criminal activity or it could be a traffic accident, what you have now through the helicopter getting real-time video footage passed on to the National Operations Centre, they can then pass it on to fire service, to the police, to traffic wardens, to anyone, and you will be able to pass on the information to the Ministry of Works and Infrastructure. So, what we are getting now is that working relationship, which is just the opposite of what SAUTT did. SAUTT caused the stretch, the division, the animosity, that lack of confidence, that lack of communication, that competitive edge and because of that it affected that whole working relationship between the law enforcement agencies.

You are also getting air traffic control feed, GPS which allows for tracking and locating of all assets, which also involves the Trinidad and Tobago Coast Guard. Through the coast guard now, we can actually track the vessels, see where they are going, monitor them and make sure they stay in their area of responsibility. So, if for example, again, as I mentioned, a vessel is entering our waters, through the radar, we can now immediately pick it up, monitor the coast guard vessel that is supposed to stay in that area of responsibility, whether it is a long-range patrol vessel, whether it is a coastal patrol vessel, whether they are inceptors, whether they are hovercraft, and this is what it is that we would use to monitor, and that is how you can measure performance. That is the way you can make sure people are accountable and that is the way you can ensure good management.

Likewise, the E999 communication feed and all other aspects of the State's communication technology being utilized through the National Operations Centre. We are also looking at through the community comfort patrol and the technology of the UAVs, also known as the drones.

Mr. Vice-President, you know, there is also a very small aspect of, I think, just $6 million or $7 million for the funeral of the late former President and former Prime Minister, Arthur Napoleon Raymond Robinson, and sometimes people may have questioned what is the reason for us having to spend so much funds on a funeral. But, you know, it is very important that when you look at something such as a state funeral of that magnitude, it is very important that we have a learning

process, and what I think many young people in our society learn from it, the cost was a drop in the bucket compared to the positives that people can get from it. Look at some of the things such as discipline, one of our three national watchwords, and the discipline skill is required for keeping the social contract. It is defined as the practice of training people to obey rules or a code of behaviour. During that state funeral we could have seen members of the defence force, the protective services and other law enforcement agencies showing the attributes of discipline, staying in formation during the procession, rendering honour by the use of the honour guard in the right way, in the right manner, standing at attention.

I have seen, sometimes, Mr. Vice-President, that lack of discipline when the national anthem is being played, how people stand, how they operate. Maybe it is you do not need to operate as a soldier or a previous soldier and be like a flagpole. But, I have seen people on their cell phones, some of them even sitting down and, I think, that funeral is something that people should learn and understand. Yes, I am being biased when I say the most noble of all professions is that of being in the military, but there is a reason for that, not just be willing to put your life on the line for a total stranger, but that aspect of discipline, where you can and be prepared to put your life for anyone. And that is why, I think, that the concept of discipline is so important.

You can also look, Mr. Vice-President, of courtesy, military courtesy is an extension and a formalization of courtesies that are practised in cultures in everyday life. It is intended to reinforce discipline and the chain of command; it is also thought to enhance the working of the organization. The men and women in the law enforcement agencies in uniform during that funeral, they showed good manners, politeness in dealing with members of the public; and that courteous behaviour provides a basis for developing good human relations by enhancing the community relations between all arms of national security and members of the public.

Also, Mr. Vice-President, punctuality: again, with military precision, I think it is so important for us to get away from this "Trini time". Every time we go anywhere, people are not aware of the importance of punctuality. In that funeral we saw how important it was for punctuality; sticking to the time; adhering to that timeline, and those who failed to do it, regardless of whether it is you are a Minister or whoever and you walk in late people will notice, and that is very important. We need to get away from this Trini time, paying attention to detail.

Again, the things that I speak about are not just military-oriented but things that it is hoped that youths can look up to and say, listen, these are character traits, courtesy, punctuality, adhering to detail and uniformity that we saw again during the military procession that took so much work, effort, practice to get it right, and many people they do not want to practise but they expect to get there. Everybody wants to go to heaven but nobody wants to die. Everybody wants to be great at something but they do not want to make that effort, to make that actual sacrifice to get there and get it done.

That is why it is important for us to look at what they did of paying attention to detail. Also, protocol and diplomacy, where you could look at certain things, and sometimes people might turn a blind eye. I recall at that funeral the flag actually, it was on the wrong side, and few people would have picked it up, but you pay adhering—that protocol, that diplomacy, paying attention to detail. If something is wrong you fix it. You do not turn a blind eye, bury your head in the sand and hope it goes away. And I want to use those words coming into—when we come to the crunch time of the T20 innings, I know we are going to speak about LifeSport. So, that importance, if something is wrong you fix it. You do not just sit down and ignore it, as we have seen before in other administrations or in other organizations.

Mr. Vice-President, again, as we go into this thing that I have heard about the LifeSport Programme—there was a call by the hon. Prime Minister for a thorough audit into the LifeSport Programme, and I think that speaks for itself and it clearly shows that she has the political strength to expose any possible wrongdoing in the programme. [*Desk thumping*] While indicating to her detractors that her Government is not affiliated in any way and has no intention to be involved with any criminal activity or gang operating anywhere in this country. Mr. Vice-President, well, I steer along the same path. Now, before I get into that, I think it is important that we understand, we must never throw—and again, throwing out the baby with the bathwater.

The LifeSport Programme was there for a purpose. It was designed for that purpose, and I think it is important we understand the importance of the LifeSport Programme. The LifeSport Programme being launched in June 2012 by the Ministry of Sport, it was seen as an ideal tool to guide at-risk youths between the ages of 18 and 25 into leading a more positive life, through the use of the sport company of the Ministry of Sport, and that programme was designed to use sport as a vehicle for crime prevention. But people may so no. But, again, going back into criminological theory, there are three types of crime prevention.

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

Motion made: That the hon. Minister's speaking time be extended by 15 minutes. [*Sen. G. Singh*]

Question put and agreed to.

Sen. The Hon. G. Griffith: Thank you, Mr. Vice-President. [*Desk thumping*] Mr. Vice-President, again, as I was speaking about the concept of, in criminological theory, of crime prevention, it is threefold.

First it looks at primary crime prevention, and primary crime prevention involves hard targeting, law enforcement, deterrence, intelligence gathering—that is the ultimate for national security and crime prevention. But the secondary aspect of crime prevention is just as important, and sometimes we do not look at the importance of it, and it has to do with putting resources and mechanisms in place to turn persons away from a life of crime. To provide them—especially young people, they have energy and you want to take that energy and divert it in the right manner. The LifeSport Programme was earmarked for that. It was earmarked to provide youths with that opportunity. But what we do have to remember, Mr. Vice-President, is that when you are in a situation like this, whether it is hot spot areas, at risk communities, persons who may be challenged in trying to know which road to go because narrow is the path that leads to righteousness but broad is the way that leads to destruction, and sometimes you move along in the wrong, in that manner—

Hon. Senator: Yes, yes. [*Desk thumping*]

Sen. The Hon. G. Griffith: You like that? Sometimes they divert in the wrong manner.

So, when you have an organization with individuals like that, people may divert, people may turn, and it might even affect the whole administrative process of the programme. But what is important, Mr. Vice-President, is that if you see it, you fix it. If something is wrong, you deal with it. Because, you could have easily turned a blind eye and ignored it. But what happened, immediately upon the Prime Minister being given the information, she cannot work on information, she has to work on intelligence, as the Chair of the National Security Council. Because, if that is the case, every single time she gets information she would probably need to fire everybody, because every single day there is some old talk or some perception or some "shu shu or what town say".

She had to turn that information into intelligence. As soon as intelligence came to light in the National Security Council, the exact day the Prime Minister made the decision to call for an audit to be conducted by the Ministry of Finance and the Economy. That, Mr. Vice-President, shows political will, being ready to do what is required at the right time. [*Desk thumping*]

So, there was the call for the audit, and to be conducted by the Ministry of Finance and the Economy, and this is what responsible leadership is about—having the political will to combat crime when required. Also, the decision was made to have the programme placed under the Ministry of National Security—to give me more headaches, to give me more grey hair—but the fact is, there was a reason for it being done, and by that happening now, what we intend to do is to look at—if anything, there may be questionable activities, there may be persons of interest, there may be situations that may cause the funds or the youths to not be going in the right manner. It would be dealt with. It would be cleaned.

So, the concept of the LifeSport Programme, it shows that what we are doing is putting systems in place to get it even better, and if something is wrong, we fix it. Also, I wish to say that all previous financial procedures that allowed payment to anyone in this programme has ceased with immediate effect, and every cent that is being approved for any payment—if they have to purchase a dinner mint, we are looking at it. So, I wish to give the nation the assurance that with immediate effect, we are monitoring it, we are seeing what is going on, and the audit, we have to wait on the audit to actually ascertain what is there, what has gone wrong, if anything has gone wrong, and to clean it up.

6.50 p.m.

Mr. Vice-President, I am not naive to say that the LifeSport Programme, there was nothing wrong with it, because I could easily speak about—again going back to one of the things I spoke about from President Robinson's funeral—discipline. One of the things you actually saw—and it has to do with discipline—when you have programme directors, coordinators, advisors to Ministers making ridiculous statements, that shows lack of discipline.

So, what I wish to assure you again, individuals who may be perceived as criminal elements, persons of interest or persons who are indisciplined, as Donald Trump said in the TV series, "they are all fired", because at no time would we have any act of indiscipline in the LifeSport Programme, because these individuals who are coordinators, who are programme directors, when you have someone who is a previous national footballer, and I am not going to call Anthony

Rougier's name because I am not going to call names today. But when you have a man who is a coordinator that can say well, if it is that they decide to move it, we will take to the streets and protest, those are the individuals you do not need, and it goes with every single thing. Because when it is that you are doing that, you have role models looking up at you as a coordinator, and you are making statements like that.

You have an individual that stands up, and again I am not going to call Cornelius Price's name, I am not calling names today. But when you have somebody who is in charge shout out that, "no, the Minister does not know what he is saying". So he calls a meeting, puts 60 people together and says there are no ghosts, but there are supposed to be 1,800 people. The fact of the matter—but then two weeks later he starts bawling and crying crocodile tears that somebody is trying to kill him. You have just contradicted yourself.

So the fact is, Mr. Vice-President, that there has been a very—we have seen positive things in the LifeSport Programme. And as with everything else you cannot blame the Prime Minister, you cannot blame the Minister of Sport. If something goes wrong within there, their job is not to look at every single aspect that takes place. It happens in the business, it happens in organizations, but what is important is that if something is wrong we fix it, we deal with it, we open that Pandora's box and not just hope that the problem goes away.

Mr. Vice-President, there will be a full review of the current process and procedures relating to the disbursement of funds, the actual operations if there is Casper, the friendly ghost or non-friendly ghost. They will be dealt with, and we want to make sure that the country gets value for their dollar, that you could look at it and you can make sure that that programme is something—when it is that we need to change the name because of the stigma, but what I wish to assure you, Mr. Vice-President, is that we intend to get this better. There was a reason why it came under the Ministry of National Security, it is now placed there under the Office of Law Enforcement Policy which is a department of the Ministry of National Security, and it is mandated to initiate, support, coordinate and monitor community projects, programmes and activities.

In addition, Mr. Vice-President, we will also be liaising a lot with the sporting federations in the country. We cannot and should not have persons be involved in sports but the sporting bodies have no part to play in it. I have been bombarded with a number of the sporting organizations that they want to be part of this process, and that shows the value of the LifeSport Programme. I am liaising with the Trinidad and Tobago Olympic Committee, the Trinidad and Tobago Cricket

Board, the Trinidad and Tobago Football Federation, the hockey board and several other organizations. And it is important we get buy-in, we get them to come on board, because it makes no sense to just have someone—to have persons playing in a sport, but the organization does not have a database and they do not have an input in it. So we have all of the sporting bodies now that will be part of it.

Second, Mr. Vice-President, is working with sporting icons—those persons who have been heroes that people could look up to, in all various sporting disciplines, who will work alongside the certified coaches, and several of these personalities have already approached me. So this is just to show what we intend to do, how we intend to turn the LifeSport Programme from being something good, that may have now been questioned, into something great, because that is what our objective is, Mr. Vice-President, to do as best as we could do with the limited budget that we may have.

Mr. Vice-President, also areas to be targeted: the revamped LifeSport Programme we will look at areas where this type of assistance is required. We could look at troubled areas encompassing, not only the at-risk youths, but will include all youths, and they can benefit from this type of programme. Communities that are on the fringe of being troubled communities will also be included. And, Mr. Vice-President, you can look at—sometimes you have communities, you have sporting teams in at-risk communities and you have world-class athletes, you have the raw talent just waiting to exhale and they are not given the opportunity.

The LifeSport Programme will now ensure that these persons can then become a Brian Lara, a Dwight Yorke, an Ato Boldon, you will never know. But if it is that they are never given that opportunity, well then they will never be able to perform, and that is what we intend also to do, to target those areas and to support those communities and those sporting organizations in those at-risk communities.

A final aspect is the inclusion of the defence force personnel. The physical training instructors and also previous and past members of the Trinidad and Tobago Defence Force will also play a very big part in improving the LifeSport Programme. By doing that, Mr. Vice-President, it also goes right back into the major character traits that you can find in the military and that can be used for youths, that can help them, not just on the sporting field, but what happens when they come off the field; character traits such as discipline, teamwork, uniformity, adhering to details, tactics, strategy, going to last minute and never giving up until

the end. We can ask Holland about that, we can ask Greece about that, we can ask—the Argentina game recently, if you look at a lot of the World Cup games, it is right there until the 90th minute something happens, and that is always the cutting edge.

What makes the difference between success and failure, you go right through, you have that heart, that commitment, that dedication and those are the things that the youths can develop through working with members of the Trinidad and Tobago Defence Force sporting teams, most of whom—most of the persons in the Trinidad and Tobago Defence Force sporting teams are either present or past national members. We can go all the way back to the Strike Squad, from the Ross Russells and Kerry Jamersons to the present. And these individuals will also play a very big part in the development of youths through the LifeSport Programme.

It is almost time to wrap up, but what I could say is that the audit will decide, and what we will continue to do is to make sure that we look at our national security resources and use it in an effective and efficient manner. I was advised—I was listening to Sen. Faris Al-Rawi about the situation with Piarco Airport. I appreciate the information and I will look at the shortcomings, but again what we will do, we have been constructing fire stations in Mayaro, Arouca, Lady Hailes, Woodbrook, Chaguaramas and Penal, all of which will be completed before general election next year by the way, and also police stations in Arima, Piarco, Maloney, Cumuto, Brasso, La Brea, Oropouche and Moruga.

So, what we are doing is putting the infrastructure, putting the things that are required to provide the resources so that the law enforcement agencies can work in that proper manner. I can actually look at a quote, Mr. Vice-President, by the introduction, by the Home Secretary in the United Kingdom, the Rt. Hon. Theresa May, which we can look at according to the Minister of National Security. It is a very interesting quote. This is what she said in her opening address, when she was appointed as the Home Secretary, to the Police Federation:

> "'I'm not interested in running the police.
>
> That principle—that we are best served by a police force run by professionals rather than politicians—is at the heart of this Government's plan to cut crime.'"

Instead of leaving the politicians in charge, we are giving power to the people. We will restore the link between the public and the police by making the police accountable to the people they serve. The police now just have one clear objective, to cut crime.

Mr. Vice-President, I think, unfortunately, for decades we have had this problem where politicians feel that our job is to come up with crime plans. They do not, we do not have that capability. The persons who are trained, qualified and knowledgeable are the law enforcement officials, members of the Trinidad and Tobago Police Service, the intelligence agencies, the defence force, let them do their job. Stop telling them what to do, stop coming up with crime plans, it is very "banana republic", a crime plan. Let us get out of it. There is no such thing as a crime plan. If you come with a crime plan, that is a plan to commit crime, by the way. But if you want to call it an anti-crime plan, what knowledge do you have to say what needs to be done?

Our job is to provide the financial, the administrative and the logistic support to the law enforcement agencies. So, again, Mr. Vice-President, whereas we had the SAUTT being done without the support or the knowledge of the Chief of Defence Staff or the Commissioner of Police, where you had a blimp being purchased and the Commissioner of Police did not know, where you had a Prime Minister decide that he wants to purchase—

Mr. Vice-President: Hon. Senator, you have two more minutes.

Sen. The Hon. G. Griffith: Yes, Mr. Vice-President—three offshore patrols vessels without the knowledge or the input of the Trinidad and Tobago Defence Force, what we are doing is getting the buy-in. So from the national security alert state, UAVs, K9 audit, tasers, rapid response unit, covert unit, interceptors, hovercraft, National Security Training Academy, the regional security headquarters, bringing in "Bill" Bratton, the person who has been the most successful in reducing crime worldwide. Bringing in Mayor Rudy Giuliani and emergency warning system, armoured vehicles, changing the uniform of the police service, bringing in a proper system for us to have a proper securing of our energy sector, a special operation group. I could go on whole day, Mr. Vice-President, shotspotter, proper radars, better interceptors, a transnational organized crime unit, a state of emergency implementation team to ascertain what needs to be done.

Mr. Vice-President, I could say this for the next half an hour. These are policies, not crime plans. These are projects, and what these do is to provide the Trinidad and Tobago citizens with their most fundamental right which is that of safety and security. Our job is to provide polices not crime plans and what we will continue to do is to do our task as servants of Trinidad and Tobago. I thank you Mr. Vice-President. [*Desk thumping*]

Sen. Diane Baldeo-Chadeesingh: Thank you very much, Mr. Vice-President. This Government came into power on the premise that they had all of the answers. Four years after, people in this country are living on the edge afraid to walk the streets in front of their homes.

Sen. Al-Rawi: True.

Sen. D. Baldeo-Chadeesingh: This current Minister speaks of getting the facts right and getting this thing right. He speaks also of turning information into intelligence, and through you, Mr. Vice-President, I would like to share some intelligence with the Minister. SAUTT took detection rate, detection from 9 per cent to 36 per cent and that was for homicides. They completely stopped kidnapping for ransom [*Desk thumping and interruption*]

Sen. Al-Rawi: Remember when people were running scared?

Sen. D. Baldeo-Chadeesingh:—K9, DNA, forensic, which you spoke about was part of SAUTT, and without them Piarco to this day has been left open, has been left naked. So much so, Mr. Vice-President, that the Homeland Security of the Home Office of the UK downgraded Trinidad and Tobago—[*Interruption*]

Sen. Al-Rawi: Is threatening to.

Sen. D. Baldeo-Chadeesingh:—is threatening to downgrade Trinidad and Tobago by imposing visa restrictions. Security has never been this bad in this country. Detection rate has gone from, in times of the PNM 9 to 36 per cent, now detection rate is 3 per cent. [*Desk thumping*]

Sen. Al-Rawi: Shame.

Sen. D. Baldeo-Chadeesingh: Is that the success the Minister is speaking about?

Sen. Al-Rawi: PP delivery.

Sen. D. Baldeo-Chadeesingh: Furthermore, the hon. Minister of National Security spoke about the AgustaWestland helicopter contract. That contract was for two helicopters and included training. AW supplied both. Training required a hangar and engineering facilities. The PP never did their part. They never built the hangar. And my colleague, Sen. Faris Al-Rawi, has been warning this Government that cost would rise, $2 billion was the cost of the two helicopters, plus training, plus all of the delays. The 9Y registration—Niner Yankee—is specific and without it, it will result in a downgrade of the airport and OAS status. But I wish to ask the hon. Minister through you, Mr. Vice-President, are our borders now protected in real time July 01, 2014? Are they protected now, four years after? But the Minister talks about turning information into intelligence.

Here is another piece of intelligence I wish, through you, to pass to the hon. Minister. You know, he does this big charade about no crime plans, they are so bad and we should not talk about it that way, it is policies, but you know, he is criticizing people in his own Government. Because Brig. Sandy; Jack Warner; Emmanuel George, hon. Minister; Collin Partap; Subhas Panday, they all spoke and have referred to crime plans in Trinidad and Tobago. [*Desk thumping*]

Sen. George: Me, never, never, you cannot make a statement like that.

Sen. D. Baldeo-Chadeesingh: Mr. Vice-President, today we debate a Bill seeking to approve funds from the Treasury to entrust to the Government to continue to manage this country. This is, in a nutshell, why we are here today.

7.05 p.m.

This is a system of management of democracies, and we on this side recognize the responsibility of governance and accountability of such trust to all citizens. That, Mr. Vice-President, is democracy. [*Crosstalk*] And having said that though—we are all angels in the PNM.

Mr. Vice-President: Please allow the Senator to make her contribution. Thank you.

Sen. D. Baldeo-Chadeesingh: Thank you very much. The hon. Minister of Finance and the Economy said earlier today and I quote him:

> Tightness is not the same as crisis.

But, Mr. Vice-President, things are falling apart. The centre cannot hold. Trinidad and Tobago is in crisis, but you will hear it nonetheless.

I wish to make a very simple contribution to this important debate and will divide the fiscal responsibility of the Government into phases:

> Budget: this is a plan based on what is to be done.
>
> Approved: present the plan and the areas where the moneys should be sent and seek approval.
>
> Spend: manage and undertake to provide the services identified.

It is very much like a basic home-making process, Mr. Vice-President. How you budget the finances of your home.

> There is also the issue of financial planning and saving taxpayers through prudent project management and investments.

And then there are checks and balances. Audits and investigations into money spent and value for goods;

Progress checks by Cabinet, the Executive. Checks by, of course, us the Opposition and the public when questions are asked.

Accountability is the root of democracy and prevents corruption.

Speaking about checks and balances, Mr. Vice-President, I wish to refer to an article titled, "Howai: I will investigate". This was released on Monday, June 02, 2014 and I quote:

"Finance Minister Larry Howai, yesterday said he will investigate several issues in terms of compliance with proper accounting procedures…"

It goes on:

"According to the Exchequer and Audit Act, Section 3, Chap. 69:01 the Ministry of Finance does not have oversight over Ministries and each ministry of government operates autonomously.

Notwithstanding this, Howai confirmed meeting with all Permanent Secretaries to"—express—"the importance of their role as the chief accounting officers of their respective Ministries, in ensuring compliance with proper accounting procedures."

My question, Mr. Vice-President: so this did not exist? And then he went on—the article goes on:

"Following the last report in July 2013, priority was placed on ensuring that all ministries of government adhere strictly to proper financial and regulatory policies and practices."

And we are here one year later, what has changed?

This Bill seeks additional funds, but accountability cannot be ignored by Government and a breach in equity results in corruption in the system. Discontent in the public and private sectors over accountability and corruption causes a poor investment climate. Trust in banks is lost and the recent foreign exchange issue is yet to be explained by the Government. Perhaps Sen. Mahabir was correct in his pronouncement, we have lost the discipline in the art of budgeting.

Mr. Vice-President, in today's newspaper we see articles like "30 BULLETS FOR SOLDIER" in today's newspaper headline; pilots are calling in sick; people in certain communities are living on the edge, afraid to walk the streets; nurses are

unhappy; women are afraid to go to the public institutions to have their babies; schools are not opened in time for the new school term; and almost daily there is a protest. But the Minister of Planning and Sustainable Development indicated—and when it reopens this will become valid, so take note. But the Minister of Planning and Sustainable Development indicated this morning that this is a happy country. And you should, through you, Mr. Vice-President, to Sen. Maharaj, now is the time to take stock of it because you do not want schools to reopen in September and things are not in place again, and that is my point.

Mr. Vice-President, from the American Trinidad Chamber of Commerce analysis of the 2013/2014 budget they made certain recommendations, and in essence the Government said:

> "Trinidad and Tobago has a relatively strong macroeconomic position with unemployment at 4.9%..."

So they say.

> "…Inflation at 6.8% and ten months of import cover at $US9.2b. It is against these macroeconomic fundamentals that AmCham T&T positions its comments on the National Budget."—2013/2014.

And their concerns outlined were:

"• crime, law and order;

- agriculture and food security;
- healthcare services and hospitals;
- economic growth, job creation, competitiveness and innovation;
- poverty reduction;
- human capital development."

But if things are as good as what the Government says, then why did they outline these concerns? This is the background to the *World Economic Forum Global Competitiveness Report 2013* indicating the most problematic factors of doing business in Trinidad and Tobago.

It is instructive to note that the top four that I called out of concern have not changed significantly over the past years and remain issues still requiring a lot of attention. And amongst the problematic factors in doing business in Trinidad and Tobago—and my source is the *Global Competitiveness Report 2012/2013*:

"It therefore becomes more and more imperative that the"—Government—"recognizes the growing hazard the top four areas identified (inefficient government bureaucracy, crime & theft, poor work ethic in national labor force, corruption) represent to national development, especially with respect to competitiveness and productivity."

But the four areas, Mr. Vice-President—

"…also represent a growing hazard to the political and economic stability of the country, exhibited in the labour unrest and demonstrations of the recent past. Political and economic stability have been two cornerstones of our attraction for Foreign Direct Investment along with the third cornerstone of relatively inexpensive energy.

The"—Government—"must be mindful of"—these negative factors—"and ensure that the adjustments required to tackle the four areas of concern are done in a structured…phased basis"—There should be or have been—"clearly identifiable milestones and targets.

AmCham T&T understands that the process will take some time to mature but"—they—"are pleased that the National Performance Framework has started…"

But they said, this situation has not changed the current issues of irregular contracts, poor project management, and the current Auditor General's Report has caused mistrust. The recent foreign exchange issue has brought these issues forefront, Mr. Vice-President.

The area of health is very critical, Mr. Vice-President, to human development and affects the quality of life of the nation. The Bill today has not identified critical improved management of health services for human resources. In 1995, the PNM Government negotiated the Health Sector Reform IDB loan of US $92 million and then the UNC was responsible for its roll-out and, today, the health sector is still being mismanaged.

In 2014, the Government has opted to privatize it with a voucher system to pay private institutions actually, but the public health system, maternal care, lifestyle diseases and primary health care are ignored. The attempts, Mr. Vice-President, to reduce the qualifications for nursing is a risk to our healthcare. Quality nurses are demotivated. There are no incentives available and a poor hospital work environment. Institutions are not maintained at an OSHA level, protocols of doctors as well as diagnostic and operative errors are too many, and the duty of care of doctors and nurses are at risk, when equipment and facilities are not maintained as required by the State, by state of the art standards.

A crime plan or, as the hon. Ministry of National Security indicated, there are no crime plans, they are policies. But a policy or policies with a negative outcome must stop because it affects our image and the quality of life that we live. The planning and development for governance is a duty of the Government, employment and the use of financial resources to ensure security, an enabling environment and environment for business, trade and human development. And I wish to, with your leave, Mr. Vice-President, refer to an article that was posted, titled, "TTMA calls for action on growing crime problem" and this was in the public domain on January 07, 2014 and I am going to quote from this document:

> "Crime affects all of us, and those in the business community are hard hit by high crime levels. The cost to engage business today is increasing because of high security costs, as well as employees' inability to work night shifts out of fear for their safety. These costs act as a disincentive to investors, and affect the country's overall competitiveness. Crime and theft is cited as the main factor affecting business in Trinidad and Tobago"—and this is—"according to the World Economic Forum's 2013 Global Competitiveness Report."

And the article goes on:

> "Issues of protection of our borders and scanners at the port should be fast tracked…there is a deficiency in enforcement, detection and conviction. Measures need to be put in place to deal with these short-comings."

Taken from "TTMA calls for action on growing crime problem—.

Mr. Vice-President, our schools have not been maintained and did not offer full access equally to our children. You see, when schools reopen late for the term they lose that instruction time, and when will these children be compensated for that lack of instruction time and does anyone care?

When a programme [*Crosstalk*]—if you listen you will hear things meaningful—is developed it targets participants and I also wish to refer at this point to an article titled "Griffith to clean up Life Sport Programme", done by Gail Alexander—[*Interruption*] That is all right. I will do it. I will do it again. This one was posted on Monday, May 26, 2014. [*Interruption*] As far as I know this is my time to speak, is it not? [*Desk thumping*] So it goes on, Mr. Vice-President, and I quote from that article—and speak I will:

> "The programme, an"—incentive—"of the Ministry of Sport's permanent secretary Ashwin Creed, seeks to teach life skills to at-risk youths between the ages of 16 and 26 living in communities plagued by crime..."

But with a programme such as LifeSport plagued by so many things, is this programme going to teach persons, at-risk youths between the ages of 16 and 26, anything about living a certain path? Can this programme do that? I think not.

7.20 p.m.

There must be clearly identified goals, assessments and audits supported with monitoring and progress reports. We have seen so far in a roll-out of this programme which keeps increasing its budget significantly, and the Auditor General's report reveals many irregularities, Mr. Vice-President, and I quote from an article by Andre Bagoo, Tuesday June, 03, 2014, entitled "Auditor General cites discrepancies in Life Sport", and I quote:

> "The Auditor General has recorded discrepancies in the accounts…and has found the programme to be 'high risk'…
>
> The Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2013, also discloses three loans, totalling $154 million…"

Well, Sen. Faris Al-Rawi spoke to this a bit, but:

> "These loans appear to be separate and apart from the programme's ministerial head allocation detailed in the 2013 Budget documents.
>
> In a review of expenditure of accounting officers, the Auditor General, Sharman Ottley, flags questions over invoices relating to mysterious companies and purported duplicated payments to programme participants across several areas…to the same single bank account. 'Three invoices for equal amounts totalling"—$259,000—"for catering of meals for…3 different areas - Marabella, Morvant and Bagatelle - did not reflect any business address or telephone contact number for the supplier,' the Report states.
>
> The Auditor General deems the programme 'high risk' because it was not included under ministry controls."

You see, Mr. Vice-President, audits without consequences cannot be the way we plan to manage. Accountability is an imperative, so a redesign of these programmes to ensure production of a positive outcome is needed, which brings me to another article titled, "CoP…"—meaning Commissioner of Police—"will target hotspots again", published on Wednesday, May 28, 2014:

> "Acting Commissioner of Police Stephen Williams yesterday announced a new strategic plan for the Police Service centering around a 'hotspot policing' initiative which was piloted last year. The new strategic plan, which provides a new mission and vision for the service, would be implemented this year…"

So, it did not have one before? And it goes on. The Acting Commissioner says:

> "We have to move from a reactive to proactive method of policing. People come to police stations to make a report and sometimes, if an officer has time they will take the report."

The Acting Commissioner of Police, Stephen Williams said this:

"…if an officer has time…"—he—"will take"—that—"report". [*Interruption*] If he has time.

Another article as well that I wish to bring to your attention, it is titled "Top Cop: New police plan completed". Everybody in that Ministry has a plan except the Minister. They talk about a plan. This was an article written on Wednesday, May 28, 2014. Again, Acting Commissioner of Police, Stephen Williams:

> "He also reported that in June"—that is June this year—"the University of the West Indies will launch"—well, this article was written in May—"a 'National Crime Victimisation and Fear of Crime Survey' funded by the Police Service. 'We cannot do the survey because people will not accept the validity and reliability of the work done by us,'…"

Mr. Vice-President, they cannot even do a survey, people are simply not taking them seriously at all.

And further, Mr. Vice-President, the Government has a performance management policy document and these must be used to ensure a reduction of risks with projects like LifeSport. The life skills challenge must be analyzed and interventions developed specific for needs. Motivation of participants cannot be an element of the programme, because once in the programme, the contact time must be specific.

You know, there are the basic tenets of, you know, if you are studying marketing or advertising, they are the basic interventions required. It must be specific, it must be measurable, it must be achievable; it must be relevant, it must be time bound. And once in the programme, the contact time must be specific, be monitored and delivered; to date no revelation of the education component but millions unaccounted for in the LifeSport programme. This needs a realignment of—not more money approved in the budget today. And the hon. Minister indicated that perhaps a name change will rectify some of the ills with the programme. Call it what you may, Mr. Vice-President, that is not going to rectify the ills in the programme.

And further, not so long ago, I remembered seeing this and I went a few minutes back to get this copied:

"Mayor fuming: Who approved $2.6 million in contracts?"

This was a story created on June 25, 2014 by Sandhya Santoo. The article goes on:

> "No approval was granted by the San Fernando City Corporation to spend $2.6 million in public funds spent on contracts for repair and reconstruction of the Skinner Park facility in San Fernando…"

This was in preparation for Carnival 2014.

> "The issue of the money spent without the approval of council members was brought up by the San Fernando City Mayor Kazim Hosein during a statutory meeting at City Hall, San Fernando on Tuesday.
>
> Hosein said he had insisted that no money be spent on construction work at the park."

And what happened is that contractors were coming to the corporation to be paid, and he claimed that there were certain individuals within the corporation who are in control of people in there from outside. So you know, it just keeps spiralling, Mr. Vice-President, and the Cabinet has not taken any serious action for the last four years on their poor governance and pattern of expenditure on the way they manage the tax dollars of the population; flooding, sanitation, infrastructure and housing in all communities. The trend of this management results in seasonal risks and deaths annually during the drier rainy seasons. There is no integrated plan.

As a matter of a fact, Mr. Vice-President, I was able to get—well, for my purposes here today, just take out one of the pages, this is an extracted document from the Auditor General's report, 2011—2012, and I just want to draw to this House the attention that there was a major variance between 2011 and 2012, and I just brought two examples. For instance, the Ministry of Works and Infrastructure, their variance and their increase was 378 per cent from 2011 to 2012, but what is interesting was that the Ministry of Sport, between 2011 and 2012, they had an increase of 1,275 per cent. You know what that translates, for instance, if I have this pen in my hand and this pen costs $1 today, one year from today, this pen will actually cost $1,275. [*Interruption*] [*Laughter*] An investment.

So, Mr. Vice-President, as I move along, the allocation of HDC homes is chaotic and the system is one which does not maintain homes where the HDC has tenants. Now, I know some time back, the Government had started the "Colour

Me Orange" programme, and the Government boasted that it will provide 2,000 youths with jobs. What has happened to that programme? December 2012 saw Trou Macaque apartments face a fiery Christmas and promises—the upgrades of those buildings were promised and, to date, absolutely nothing.

Mr. Vice-President, I recall the issues when the Government, the UNC, fought to move the Carnival out of Port of Spain, bypassing Port of Spain, to a new route of Woodbrook to the savannah. Now these are breaches of not only trust but poor financial accountability. You see, Carnival producers are treated unfairly and the events lose millions every year with poor accounting by the NCC, and this affects communities around Port of Spain and they are central to the development of Carnival, but no economic benefits to them.

Mr. Vice-President, to be trusted, one must show that they are responsible; to be trusted, one must account for funds; to be trusted, a Government must be fair, honest and show accountability. The Auditor General's report revealed mismanagement in most Ministries. The Parliament hears today how important it is to have more funds approved for LifeSport, a programme that will baffle even the Financial Intelligence Unit, the FIU, which has been silent on it. Are there any links with the missing funds or transactions that are suspicious for many who are now raking in millions? Has any additional enquiry been undertaken and reported to the public? Why such a long wait?

Perhaps, this is a good juncture to call on the Minister of Finance and the Economy to tell us, or to at least explain, how the LifeSport programme has been funded or was funded last year and this year. It has moved from $6 million to $32 million to almost $300 million. [*Desk thumping*] How has this been funded? The lack of accountability and stories of intrigue are for the movies. They are for the movies. It is a serious problem. With accountability, yet it needs more money—is this government?

Well, that is the financial aspect of it but there is also a social aspect of it. I wish to quote a little piece from an article entitled "Lifeline for Life Sport". This was uploaded on Tuesday, May 27, 2014. I will just go down and just quote one piece of it, and the writer of this article asked the questions:—[*Interruption*]

Sen. G. Singh: Who is that? Who is the writer?

Sen. D. Baldeo-Chadeesingh: I do not have the name of the writer here, but it was uploaded—the article is "Lifeline for Life Sport", Tuesday, May 27, 2014:

> "…how has this money been spent? Has it been effective in furthering the goal of increased sporting activity on the part of at-risk youth and in vulnerable communities? Have taxpayers been receiving value for money? These are some of the issues which, hopefully, can be addressed by an audit."

Mr. Vice-President, the fuel subsidy was removed from the national carrier, Caribbean Airlines Limited, effective October 01, 2013. The Tobago airlift will maintain its subsidy and supposedly its fare. However, although the board of CAL assured that the removal of the subsidy would not increase ticket prices, the question must be answered as to how increased operating costs will be covered.

In light of the proposed insurance legislation which seeks to remove the statutory fund, the Minister noted that the establishment of a fair tax system for life insurance companies is needed but provided no details. Of course, the ever popular, the five regional growth poles, which were presented to the public as igniting economic and social transformation, have re-emerged in the 2013/2014 presentation after only a passing mention in the prior year. The Minister advised that the pilot study for the central growth pole was completed and that the other four poles are still under development.

Mr. Vice-President, the Ministry of Planning and Sustainable Development's allocation in the budget must be reconciled and an update of all real growth must be presented.

7.35 p.m.

Mr. Vice-President, we need to run the country, but we cannot allow this lack of accountability to continue. The unmanaged governance leads to discontent and violence. As I mention that, where is the integration of Ministries? I mean, people are fleeing this country to find safe houses abroad and the unmanaged governance leads to discontent and violence among those caught up in these questionably managed programmes.

Millions not accounted for, audit upon audit and yet with no repair and consequences for this rape of the Treasury, we are asked to approve this Bill. Things have fallen apart and the centre cannot hold any more. We need a ceasefire. No war cries for Trinidad and Tobago. Governance is not integrated and results in chaotic inequitable services and selective development and opportunities. Equity and quality are hallmarks of this current style of governance? Not at all! They have breached the democratic institutions and the oath of office.

Mr. Vice-President, things have fallen apart. The centre cannot hold. Trinidad and Tobago is in crisis. I thank you. [*Desk thumping*]

Sen. Dr. Rolph Balgobin: Thank you, Mr. Vice-President. I am grateful for the opportunity to speak and for the momentary pause. I rise to make a few observations on the Finance (Supplementation and Variation of Appropriation) (Financial Year 2014) Bill. This, of course, is a fairly standard process and procedure. In this instance, we are looking at the further issue of $3.8 billion from the Consolidated Fund.

But I wish to just make some broad observations, which, I am hoping, will stir the minds of some of my friends in Government and, perhaps, Opposition alike. I would start by saying I note that the majority of these moneys are for salary increases, and so on, and I think that is important to note. I think that it is good that we are paying our people more money. In a short while, I hope to turn my attention to that a little bit more, because I do not think that enough of our people are earning a living wage, even people who work in the public sector.

But I am also mindful that the value system of our society appears, in some respects, to be broken. We have an increase in pay but there is very little evidence that we can point to, that marks an increase in productivity. And so, as a society we continue to put more money into things, in order to get the same things back; in some instances, less, and this is not a political problem. This is not an issue of who is in government. In fact, most of what I have to say really spans government. It is really about elevating our consciousness to the reality, to the fact that our productivity is not rising as quickly as our prices are. Our rate of productivity is not growing at the pace of the rate of inflation. And I think when we think about that—and productivity, I think, is inextricably linked to values in the society and work ethic, and so on—when we celebrate the wrong things too often, some of our spending priorities might benefit from a further look.

We are in a position now. I believe tomorrow, the SEA results are to be released and I have to tell you I would not want be an 11-year-old child tonight and I would not want to be the parent of an 11-year-old child tonight. What absolute torture! You know, we have here all of these nice documents about all of these things that we have done and are doing and we have a system that is absolutely Jurassic, where, 50 years after independence we cannot find a better way to do this? Are we really telling children, at 11, that you are less because you did not get admission to a prestige school? I mean, what are we doing but traumatizing the psychology of an entire generation? Every year we do that, every single year.

The SEA, I think it used to be called Common Entrance and before that, what was it called, Mr. Vice-President? Exhibition. Well, everybody who changed the name promised that this was an end to this stress. It is exactly the same thing. It is an abomination and it needs to be stopped. Why discriminate against people who are so young?

We have $3.8 billion more to spend here and we cannot figure a way to stop that? Well, I also am of the view that, perhaps, I would have liked to have seen—I have no quarrel with the money for tertiary education and skills development; I am seeing a lot of good work there—some appropriation for education and some improvements to plant in some of these schools.

I would also say that it is important for us to seize the opportunity to spend money on institutions and I will come back to that in a little bit. I just wanted to make some observations on two other things and then I will be done. The first is national security and the other is on facilities.

In terms of national security, I listened to the Minister intently and, you know, the Minister said something I found quite interesting. He said that the intention is that, you know, any government should never be involved with criminal elements, but we are and that is not something that this Government would consciously have entered into. This has happened for decades. We have sought to purchase social peace by doing deals with people who needed to be, in our view, pacified, and I think that as a mature society we ought to now look at that and say: "well, perhaps that does not work" and we need to stop doing that. Inherited or otherwise, it is a significant problem. Now the topic of the day is the LifeSport Programme, which may have had the best of intentions. It provides itself, it recommends itself as a very convenient political football and so it will be kicked to abstraction. It is World Cup time.

But, what are the fundamentals driving such a programme, not that there is some specific identified need that must be addressed? The most that we can conclude is, perhaps, that is not the most appropriate vehicle. But if we must conclude it, can we not conclude it faster? Why do investigations and audits and reviews take so long here? It is almost as if somebody wants you to forget. If we want to know, we want to know, and we want to know quickly and then let us just move on. Let us move on. We cannot continue to wake up every day and come here and call each other "tief" and question each other's motives. It is not right for us to do, but my sense of what the Minister of National Security had to say was disturbed because he talked a lot. Talk, talk, talk, a lot of talk, maybe even some walk.

All of this money is being spent, but really no progress, in terms of reclaiming our sense of safety. So as of now, we are doing plenty, maybe, but we have accomplished precious little. It may have escaped the conscious attention of many, but now when people tell you goodbye, they say be safe. Why do they say be safe? It is because you are feeling unsafe. All of us say that: be safe. Because I do not know if I will see you again, and if I do see you again, I may not be surprised, but if I do not see you again I may also not be surprised. That is where we have reached as a society and we are here debating money, but look at where the society has gone.

You know, I have heard some of the most anxious, aggressive language. We are dealing with enemies of the State. To be sure, Mr. Vice-President, to be sure, the monopoly of the State on the use of force is threatened, to be sure. But let me pause for a moment and consider. I have Special Forces in the army; I have SNU in the coast guard; I have Criminal Gang; I have MOPS; I have GB; I have a bunch of units that come out and parade on Independence Day "and they jump out of helicopter, bus, truck, plane, everything. They dive and they roll and dey shoot and they snatch people and they do all sorts of amazing things. What, what? Where dem?" Where are they?

The note I scribbled while the Minister was speaking was Day-O. He made some mention of bananas and that is all I was singing right through after that. You know, daylight come and I would like to go home. People would say but this is fantastic. So, what do we do, Mr. Vice-President? Guess what we did? We formed a next one and the Minister came here a few weeks ago and called it the DAT, which was the direct action team, which was an element of SAUTT. Previous Minister of National Security, you could contradict me when you want, you know, you are my friend. So they put SAUTT, right? But we call it now SOG, not SAUTT, not DAT. SOG stands for Special Operations Group.

Now, Mr. Vice-President, I do not know how it works in labour negotiations or in business. I know a little bit and I can tell you in business, we do not show the other side our hand. We formed the SOG and then we tell everybody that we formed one. "We tell you how much men it have, who constitute it, where dey located. Everything we tell you. So ah have ah bunch ah teams. Now ah have ah next one and now everybody know what ah have and where ah have it. So ah empty meh whole pocket fuh you tuh see."

On top of that, while I am telling you all of this, I commit what has to be a tremendous cultural snafu—well a snafu with major cultural implications—because one of the reasons I advanced for setting this thing up is when we are going out on operations, the people from the police stations, and so on, calling the criminals and noting it.

Now, what happens then is the man in the police station infers from that, what? That he is not trustworthy? I would leave it for the criminal element to go and research how much people in the thing. I would not repeat it here. But what I would say is it is not enough to stand up in a heavy firefight, I would not think, and if so "ent dem same fellas yuh doh trust is who you have to call fuh backup?" Well, if I was sitting in a police station, perhaps, I would say okay I will be there and maybe I might take my time and maybe I may not be inclined to come. I do not know because they trust you and they do not trust me. So there are things that we ought to do and not say that we are doing. Just do it quiet and get it done. Get it out of the way. Deal with it.

7.50 p.m.

So tell me something about this SOG and these folks, what are they doing now? Close protection. You cannot create teams like these and use them to bodyguard high-value leadership. Put bodyguards to do that. Right now, people are shooting at the police. Maybe they are shooting at soldiers, too, and this is not a political problem. This is something that we all ought to be concerned about. When someone is shooting at an agent of the State, an officer of the court, a police officer, all of us are invested in the outcome of that gunfight; all of us.

When they are clever enough to block the road for you to come out and move boulders and debris and when you are outside and vulnerable they are shooting at you, what does that tell you? What does it tell you when someone opens fire from a distance and kills a mother holding her child? But, you have the dogs of war. "Whey dem? Ah ain hearing ah bark. Well, if you loosing dem, loose dem and doh say anything; just loose them and we find somebody bite up on the side of the road and we say, aye, somebody get bit there; we doh know who bit them."

There are things, you know, that you have to do to protect a democracy. The democracy is threatened, what do we do? To me, the bravest person in the police service is the big-belly detective who is armed with a pen. "Daiz" his gun, a pen, because that—[*Interruption*] In this case it is because that big-belly detective is going alone and doing investigations. Now every time he goes out to investigate a murder and he comes back, the phone ringing, he "gehing" a headache because you know what? "Is ah next murder."

Now, that person cannot finish an investigation. In America, if they kill somebody, 20 detectives on the case. Here, for every detective, you have 20 murders. How you "goin and get" anything solved? But we are increasing people's salaries, spending money. So our spending priorities might benefit from an improvement.

You go in the police stations, they are a disgrace. Where is the spend on those things? And so the one thing I would say that I would be concerned about is that all of this money is being spent and we cannot appoint a Commissioner of Police yet. Four years, then. If you ask anybody what is the number one issue facing Trinidad and Tobago, they would say crime and we have not had the funds or the wherewithal to get a Commissioner of Police appointed.

I think this Government, as previous ones, have demonstrated that if they want to get something done, they can. They can do it, so why are we not doing it? Is it that you are inviting me to think you do not want to do it? Of course not. That cannot be right. So what is the systemic issue? We are "bouffing" the police, but we cannot appoint a CEO for the police service.

We are "bouffing" the SRC, the SRC made one weak bleat and then after that they stayed very quiet. We will deal with them next week. But the SRC's single bleat was: "We are waiting on a consultant to do an evaluation." Well, why? Is it that they are starved for resources? Why do they not have the internal resources to do their job because in the Constitution that is all they have to do? They do not have a very wide remit. You would think that they would develop the specific competences to do that if that is all you have to do.

So, yes, we are approving the spend and more money, but we ought to take an opportunity to seize the opportunity to relook at some of our spending priorities and say maybe these commissions need more resources; maybe they need more money; more human ability. A lot is said about the investment climate. Trinidad and Tobago is far better than plenty places in the world, for all of our problems. The headlines, of course, scream and dramatize crime, but Trinidad and Tobago is still a good place and we can save it. [*Desk thumping*]

But what do we have to do? You say, well, is there enough investment and so on? The private sector has money. The investing public has money. There is excess liquidity in the system. All you have to do is to give people a sense of safety and you need to strengthen institutions so that people feel that there is a sense of fairness in how the society operates.

We do not have that now. What you have instead is that you have to call up a Minister or you have to call up some senior public official to beg them to do what they are supposed to do. So now it becomes a favour. It is not right. What does the private sector want? I do not think they want anything from the State, you know. They do not want anything free. What they want is for the institutions of the State

to get out of the way and some of this money has to be spent to make some of these things possible so that we could have sustainable employment for people, so that we do not have to continue supporting them on welfare programmes.

It is not only expensive for us; it is demeaning to them. Dress it how you want; put them in orange, green, blue; it is demeaning to them because they know. If we could avoid mistakes like what has happened recently with foreign exchange, it would be very useful and I know that is not under the Government's control, but perhaps we can prevail on the people whose remit is to make sure that we do not have a crisis to avoid us having a similar drama in the future. It has brought enormous difficulty to the country for no reason and, particularly, to manufacturers, exporters, people who have to buy raw material and then convert it and sell it abroad.

The last point I would make is all of this money—and the facilities for public officials—I am concerned about. We are expecting people to work, in some cases under subhuman conditions; and I am of the view that when we do not proactively address that, when we do not have the kind of leadership and management in the public service—I do not blame politicians for that. I do not blame politicians for that. A politician cannot see that and how is a Minister supposed to see that? But the management that is sitting inside of there needs to say something, needs to make a representation because, when you do not do it and you have public officials working in these subhuman conditions, they immediately work out that we do not care about them and, therefore, why would they care about us?—I wonder. Why would they?

We are engendering a culture of disrespect, discourtesy and disdain. And the only thing I would say to the Government is: you did not create this problem; unfortunately, it falls upon you to fix it. You have to do your best. You must find some means or mechanism to identify when these things are happening so that we do not give power to rabble-rousers who want to go and shut down a place and inconvenience an entire society. [*Desk thumping*] How could we allow this?

So we want public sector officials, public officials to report these things, to recommend, to argue for it in the budget, in even the supplemental amounts that we give half year or three-quarter way through. Why not? Why do we have to have somebody else come and tell us what we ought to know from our own people, our own formal system?

What I have concluded, Mr. Vice-President, is that it is very easy to build things and, in fact, I think that is why governments do big projects. People always say—because we have had such a jaded and jaundiced public now—the reason

why governments do construction is to "thief". That is what they say: to steal, to expropriate, to capture, to steal; yes, to "thief". That is what they say, but the truth is, that is all you could do because the next two things to fix are processes and people and that, Mr. Vice-President, is so hard as to be in this country almost impossible.

So we keep shifting people around, building things and hoping things get better, but we must confront and engage the people. The hard work is to change the people and change the processes they are working by; not bypassing them. We are living with the terrible legacy of that with the Central Tenders Board from 30 years ago. It has left a terrible legacy—a legacy of allegations of corruption that has infected everybody in public life.

So, it is easy to build things and we have built a great many things, but we are maintaining nothing. What we do instead is build more things. So we are building new hospitals, but the old hospitals look awful. We are building new police stations, but the old police stations look awful. We are building new fire stations, but the old fire stations look awful. So we know to build. We do not know to maintain.

If it is that the intention is to steal, through construction projects, we need to say loud enough that perhaps you can sophisticate your techniques for expropriation to capture also, maintenance contracts, but put some energy there; put some money there; put some focus there.

We have a great many things to contend with as a society, but if we continue to disrespect ourselves and our own, all we are ever going to get is ingratitude and disrespect in return and so we must pay our people well and we must demand of them good performance. We must have the courage to do that.

So until such time as we are able to make that subtle shift in spending priorities and approach, what can we say other than: job not yet done. That may be an indictment, but in business we call that work in progress and work in progress is on its way to being something valuable, so we like that. Nothing looks good in the middle, Mr. Vice-President. Nothing! So we must take heart. We may yet be on the way to something great.

We must have courage and we must hold hands and we must say: all right, let us see what we have to do again. But I encourage us, even as we look for a brighter tomorrow, to do what we can and to really look at some of these spending priorities and see how we can amend, how we can tweak, how we can adjust so that we get where we want to go and not accidentally find ourselves bereft on some small island somewhere far, far away.

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

8.05 p.m.

Sen. Larry Lalla: Mr. Vice-President, it is my distinct honour to be allowed to make a short contribution on this Bill that is before the Senate, the Finance (Supplementation and Variation of Appropriation), Bill.

When I was a student at Hillview College—[*Interruption*]

Sen. Al-Rawi: With Senator Ramnarine.

Sen. L. Lalla:—with Sen. Ramnarine, I remember my old principal, Mr. Stephen Seepersad, the deceased Stephen Seepersad, would always drill into us that:

"The heights by great men reached and kept"—was—"not attained by sudden flight—"

Hon. Senators: Were!

Sen. L. Lalla:—were—

"but they, while their companions slept, were toiling upward in the night." [*Desk thumping*]

I look at the Opposition and that saying comes to mind because they remind me of the students in class who—[*Interruption*]

Sen. Al-Rawi:—came first. [*Laughter*]

Sen. L. Lalla:—for the whole term, play the fool, skylark and get involved in bacchanal as they have a penchant to, and as they approach the time for test, they realize that somebody in the class was working harder than them, and ready for the test and they are not ready.

As we stare down the barrel of 2015, the Opposition is in crisis. Dr. Lester Henry used the word "crisis"; Sen. Diane Baldeo-Chadeesingh used the word "crisis"; and they are the ones in crisis, because as they look around the landscape of this country, and they see everything that the Government is doing, that now—after four years—is starting to bear fruit, they are in crisis [*Desk thumping*] and they realize that the Ministers that this Prime Minister has appointed have been toiling; have been toiling away in the land, and have been building, have been building to serve the people, and to ensure that the citizens of this country have a brighter future to look forward to. [*Desk thumping*] So, I want to dwell a "lil" bit on crisis because we have heard that word a lot here this evening.

I was very surprised by the contribution of Dr. Henry because he made a very startling comment that this Government has never had a crisis to deal with. In 2010, there was a crisis; there was a big crisis, and that is why the population voted the way it did. [*Desk thumping*] In 2010, Calder Hart was a crisis; Clico was a crisis; those two big shells we see sticking up in the air, that was a crisis—hundreds of millions of dollars of taxpayers' money spent to build shells, empty shells; the Tarouba stadium. Mr. Vice-President, every time I drive to San Fernando, I look at that stadium and for the life of me, I cannot figure out where in that stadium is three-quarters of a billion dollars. I cannot figure it out for the life of me. [*Desk thumping*] The Tarouba stadium is a crisis. We had to deal with that.

E TecK was a crisis—project after project after project, the money just evaporated. Thank goodness that now, the good and hon. Sen. Vasant Bharath has been able to actually get it off the ground, but that is something we had to manage, and managing that was not easy.

When we came into power, hundreds of millions of dollars were owed to contractors; that was a crisis that had to be managed. So, it is very unfair and very unfortunate for anyone to sit in this honourable Senate and say that this Government has not had to deal with a crisis, and to infer from that that we do not know how to manage money; very, very, unfair.

And, of course, my good friend, Sen. Al-Rawi, attempted to blame the crisis that existed in 2010 on the international economy. Well, all those things that I just listed there did not find themselves into crisis state because of the international economy. They emerged as individual crises of their own because of the mismanagement of the last regime. [*Desk thumping*] So, he is very incorrect. I would not say he was attempting to mislead, I would not say that, but he was very incorrect to say that the state of the economy, as existed in 2010, was due to the international economy.

But while I am on my good friend, Sen. Al-Rawi, there are a couple further things I want to say. It is all well and good to come in this honourable Senate and parade for the cameras [*Laughter and desk thumping*] and make a lot of noise about things that have been sent to you and that you have, but you do not serve the interest of the people of this country by just coming here to parade and make bacchanal. [*Desk thumping*]

If you have evidence of wrongdoing, as a lawyer, you know what you have to do with it. Take it to the Integrity Commission; take it to the police, do not just come here and "gallery". [*Desk thumping*] So, I am hoping that in the very near

future all this evidence that he is saying he has, we would hear that it has been sent where it is supposed to go, and not just stay on his desk or in his briefcase or mailbox. [*Laughter and desk thumping*] I do not know.

The fact is, Mr. Vice-President, we have been talking a lot about LifeSport, and as Sen. Balgobin has pointed out, LifeSport and similar programmes arise and are necessitated because of certain problems—problems of generations of neglected young men who are the product of the types of programmes that the PNM implemented, for their own selfish reasons, over all these years in order to ensure and institutionalize what Mr. Panday once called "a dependency syndrome", to ensure that you had a cadre of people available to you to do your beck and call whenever you desired, and to ensure that these people were not able to have an independent existence, were not equipped with the skill for individual survival.

As a result of that, as a result of the institutionalized neglect, which this country has experienced over the years, there is now a need for programmes to be put in place to deal with this problem—to teach these young men and these young women how to survive and how to survive without getting involved in crime and wrongdoing, and that is the reason why you need programmes like this.

Just to declare, a lot has been said about LifeSport from what we see in the media. From what we have heard, there might be problems, we do not know. But one thing about this Prime Minister—the Prime Minister who leads this Government—as a lawyer, she understands the whole concept of due process, and she will not act before it is the time for her to act, and before she has proper information on which to act. This is not a Prime Minister who will fire anybody by fax. She does not act in haste, she acts on proper information [*Desk thumping*] and the time will come when the audit is done, and we know we want it sooner rather than later. That is a fact. It should have come yesterday, but because we want to ensure that everything is done properly, it is taking some time.

But come it will, and when it comes she will act. But, the fact is that the LifeSport Programme, Mr. Vice-President, has yielded some good results, and it has in some way been a good programme for those young men who lack the guidance, and the necessary life skills to allow them to have an independent existence.

I need to say for the record that out of that LifeSport Programme, more than 20 of the participants have established their own businessl; for example, Mr. Vice-President, car washes and welding operations. More than 140 of them have

gained employment in various public and private sector organizations; [*Desk thumping*] about 110 of them have gained enrolment for education and skills advancement opportunities, included at tertiary level. Recently, 14 boys were admitted to the Drilling Academy to pursue the International [*Desk thumping*] Drilling Technical Craftsman Advanced Diploma, and 25 boys from the Belmont LifeSport Centre were granted scholarships to pursue various sporting disciplines.

Many of the boys, Mr. Vice-President, have admitted—and this is a good thing—that they have ceased involvement in criminal activities and drugs due to the programme. There has been a marked change in their attitudes and behaviours of many of the boys as exemplified by more socially acceptable dress codes. They are not walking around with pants falling down off their buttocks.

Hon. Senator: Sagging.

Sen. L. Lalla: Sagging, that is the word. They have developed self-respect; respect for authority; a greater level of self-confidence; a greater willingness to settle differences through dialogue, dispute resolution, reconciliation and mediation, and that would not be all of them, but one saved makes the programme a good programme, Mr. Vice-President. [*Desk thumping*] One life saved, one boy changed benefits the society and makes the programme a good programme.

Some of the boys have been reintegrated back into the community as role models for young people. Many of the boys have excelled in their sporting discipline of choice, and have gone into the sporting professional leagues. Some of the boys have formed their music company and have released musical CDs and DVDs.

Just for clarity, I am informed—or, I am advised—to quote Sen. Al-Rawi that, in fact, the cost for a breakfast in the programme is $25 and for lunch $45. If he has different information, as I pointed out before, he knows what to do with it. [*Crosstalk*] And, you know, just so that the listening public does not go away with the impression that some sort of "bobbol" went on and the wife of the poor PS ends up getting all the contracts. You know, Mr. Vice-President, that is a very important point.

Recently, when the constitutional reform consultations took place all over this country, and persons were asked to give their feedback on how they felt about Parliament, do you know what was one of the major complaints persons had? That persons in the Parliament would unfairly take advantage of persons who are unable to defend their good names and call their names in this Chamber when they cannot defend themselves [*Desk thumping*] and here we have Sen. Al-Rawi

referring to the wife of the PS. If you have information that she is doing something improper—that there was some sort of corruption involved or collusion—do the right thing with it. Do not come here and "gran' charge" and call people's names and just leave it in the air like that. [*Desk thumping*] When that is done, great harm is done to the reputations of innocent people or potentially innocent people. It is improper to do that.

8.20 p.m.

Just for clarity, let me go through the names of all the caterers for the LifeSport Programme and the areas from where they come, because it is not just one, Mr. Vice-President, there is a long list, but I need to go through it:

> Alicia Mohammed from La Romain; Stacey Joachim, Princes Town; Brenda Teague, Carenage; Cindy Garcia, Arima; Crystal Francis, Valencia; Esther Jagai, Carapichaima; Roger Brown, Santa Flora; Makana Asson, Siparia; Donniel Maraj, Champs Fleurs; Farlon Thomas, San Juan; George Edwards, Morvant; Judy Kirton, St. James; Joann Williams, Sangre Grande; Jolene Legere, Carapichaima; Jo-Marie Bagot, Arima; Kevin Thomas, Arima; Anne Grant, Barataria; Kurt Rajkumar, Princes Town; Sheran White, Pointe-a-Pierre; Mervyn Hercules, Chaguanas; Michelle Jack, Morvant;—this is a very familiar name—Mustapha Abdul Hamid.

Mustapha Abdul Hamid, that name sounds familiar, Mr. Vice-President—Arouca;—[*Interruption*]

Hon. Senator: That is your colleague?

Sen. L. Lalla: He is a caterer.

Hon. Senator: He is a colleague of the PNM.

Sen. G. Singh: A former Minister.

Sen. L. Lalla: Former Minister.

Nazilla James, Guayaguayare;—

I am not saying that he is engaged in anything wrong, I am setting out all the names, because the impression that was given in this House was that there was one caterer getting six point something million dollars in contracts, and that is not the case. So we see fairness and equity, in that even a former PNM Minister is a caterer in the LifeSport Programme.

> Ingrid Reefer, Claxton Bay; Roger Springer, Chaguanas; Shevon Walters, Arima; Shelly-Ann George, Port of Spain; Nekeisha Wallace, Port of Spain; Tracy Williams, Cocorite; Shurlana Borneo, Arima.

So we see there is a long list of caterers, 30 of them, distributed all over the country who have been catering for this programme, but the impression given in this House is that everything is given to one. Rant and rave, jump up and down, but there are 30 caterers. Maybe the PS has 30 wives, I do not know. [*Laughter*] I do not know.

Sen. Abp. Burke: "It have a male in it." [*Laughter*]

Sen. L. Lalla: The point is, Mr. Vice-President, that as the good Sen. Helen Drayton has pointed out, she being the voice of reason, one of the voices of reason in this Chamber, this Government ought to be commended for the good work it has done in managing the crisis of 2010, stabilizing the economy, and now putting the economy on a trajectory for clear growth. [*Desk thumping*]

I want to commend my colleagues, Sen. The Hon. Dr. Bhoendradatt Tewarie and Sen. The Hon. Larry Howai, for presenting, in a very clear and concise manner, all the indicators to show the good work that this Government has done in order to ensure that a stable economic environment has been created for this country, and for the development of this country for the benefit of our citizens. As Sen. Tewarie has pointed out, it is not what they say. Internationally, those in the know are saying that the Government has done what it was required to do in order to ensure that the waters of finance were charted in a very safe and secure manner to ensure that the future of this country is secured.

You only have to move around the country to see the good work that is being done, and I think that is why the Opposition is in crisis mode, panic mode. When you drive around this country, Mr. Vice-President, you see the roadwork and infrastructure in this country is being transformed, and that is being done so that development could be opened up and taken to every part of the country. It is a great injustice to citizens who live in the far parts of this country to tell them to drive to Port of Spain to come to work, and you have to leave home at four o'clock in the morning to beat the traffic to reach into Port of Spain for six o'clock.

It is wrong when one considers what that means for that particular family, what time they have to go to bed at night to get up early in the morning, to prepare a meal, to organize children for school, to drop off children, to come and spend an hour in traffic, to have to leave Port of Spain early to go back down. When they get home they are tired. They cannot have time to recreate. Children do not have enough time to focus on their studies and do homework. It is wrong, Mr. Vice-President. The Government ought to be commended for ensuring that

the country is opened up; [*Desk thumping*] that roads are built to facilitate very efficient transportation to and from destinations of the citizens; to ensure that development not only takes place in Port of Spain but takes place in central, south, east and west. [*Interruption*]

Hon. Senator: And Tobago.

Sen. L. Lalla: And Tobago. I cannot forget Tobago. My good, friend Sen. Cudjoe, is not here.

So far, for the four years that this Government has been in office, 237,000 metres of roads have been reconstructed and rehabilitated. The Government has spent the people's money well by delivering the Churchill Roosevelt Highway extension, the Churchill Roosevelt Highway, [*Desk thumping*] the Uriah Butler Highway interchange, building a new interchange for the people of Couva and Preysal, [*Desk thumping*] reconstructed the Tarouba Link Road. [*Desk thumping*] That road, for years, when I was a child I used to look forward, actually, to going on that road, because it was like on a roller coaster. Right? Children would enjoy driving on that road because of how it was, but it was very unsafe, and for years that problem went on unabated. It took this Government, and its care and interest for the citizens of this country, to deal with that and to deal with that finally. [*Desk thumping*]

Then we have the completed extension of the Solomon Hochoy Highway from Golconda to Debe, and then we have the roadwork progressing on the Diego Martin Highway. You know, I am tempted not to say this but I should say it. We had a gentleman by the name of Kublalsingh parading up and down this country talking about the highway, "the highway this and the highway that". You know, one night I was on my way to visit some friends at Gulf View and unfortunately for me, or fortunately, I missed the turn to get off the highway to go to Gulf City and I ended up going on the new highway, and I was amazed at the type of work that has gone on, on that piece of road, and what we now have in this country, and what the citizens of this country now have to traverse north and south. In fact, I took no more than five minutes to get from—what is the turn-off?

Sen. Hadeed: Golconda.

Sen. L. Lalla: Yes. From Golconda to Debe. In no time at all, I could not believe it. When I drove on that I said, yes, because when citizens drive on this they would not want to hear anything about Kublalsingh, and so said, so done. He has faded off into the wilderness now.

Very important, Mr. Vice-President, is the work that has been done for delivery of water, and I am not saying that because the Leader of Government Business is responsible for WASA. I am saying it because I think it is something very, very important, and I am very, very genuine about it. In 2010, when this Government came into power, only 20 per cent of the population had a reliable water supply. Today that figure has increased dramatically, where over 60 per cent of the population have a supply of water 24 hours a day. Sixty-six thousand people have benefited from over 73,000 metres of water lines in north, south, east and west of Trinidad and Tobago.

I do not know, Mr. Vice-President, if you traverse the bus route, but very recently there was a lot of disruption on the bus route while the Hollis Main was being replaced and the population was inconvenienced for several months, but then one day I was driving on the bus route, legally, [*Laughter*] and I—[*Interruption*]

Mr. Vice-President: Senator, please. I just want to make an announcement that dinner is ready, ready to be served, but we have had a long day and we seem to be going long into the night, so therefore I will not break. I will not have any suspension, but as long as there is a quorum you could go in files and just have your dinner and come back, singularly. Thank you.

Sen. L. Lalla: So in driving along the bus route, I noticed the sign that had been put up—and this was before the work was completed—which said that the project was due to be completed in May of 2014, and, lo and behold, so said, so done.

That project was no simple project. It was a major undertaking of works involving many, many nights of long labour for the employees of WASA and other Ministries. Very importantly, this Government was able to complete that project on time and within budget—[*Desk thumping*]—to the point where now when you drive on the bus route where the pipeline was laid, you cannot tell that, because it has been repaved so well. My colleague is saying that the road is now better than before, and that could be very correct.

8.35 p.m.

The point is that the Government must be commended for its good work, and that is just one example of the type of work that is going on all over this country. [*Desk thumping*]

Mr. Vice-President, I want to spend just a couple of minutes looking at what has been happening in two particular Ministries, one being agriculture. The land of this country is very important to this Government. We believe that much

attention needs to be focused on ensuring that the citizens of this country have food security. When the PNM was in power, I am convinced that the only plan they had for agriculture was to close down Caroni (1975) Limited and nothing else.

For many, many years the lands which were once occupied by Caroni (1975) Limited went unused. The present Minister of Food Production has been making great strides in ensuring that this country is given the food security that it deserves and that it is a proper use of the lands that we have, to the point where food inflation has been reduced by 6.9 per cent, from 29.5 per cent in 2010, to 22.6 per cent in 2012. What he has done very importantly is to introduce programmes that would get our young people involved in agriculture; take our people, our young people, back to the land to show them how one could make a livelihood from planting the land, from making a business out of agriculture, taking care of a family from agriculture.

One of the programmes that he has embarked upon is something called YAPA, the Youth Apprenticeship Programme in Agriculture. This programme targets young persons aged 18 to 25, and saw 615 persons, trainees graduating from phase 1 of the programme and 57 trainees moving to phase 2 of the programme, obtaining training in agriculture careers. This YAPA programme has targeted nine areas: Curepe, Wallerfield, Point Fortin, Penal, Chase Village, Princes Town, Sangre Grande, Ecclesville and Tobago.

Apart from that programme, importantly—the point was made again by Sen. Dr. Lester Henry, that we had been playing with the figures and that we had used, to quote him, make-work programmes in order to give a false impression of the employment rate in this country. That is another thing that surprised me about his contribution, because these make-work programmes did not come from this Government. They came from the bowels of the PNM and that is the way the PNM historically has sought to develop this country, by ensuring that a certain number of people remain beholden to it and totally dependent on it, in these make-work programmes.

So he is here chastising the Government for having these programmes and funding these programmes, but we are not going to "take basket". The PNM, having historically made various sectors of this society dependent on this programme, it would be irresponsible and reckless of us to now disband them. [*Desk thumping*] We have to ensure that the persons who have been made dependent on those programmes, are able to find a way to come out of them, and

until that happens, we are going to continue to fund them, as we must. But one of the ways that we are intent on ensuring that persons are weaned off these programmes is things like the URP in agriculture programme that the Ministry of Food Production has embarked upon.

This is where workers from the URP are encouraged to enter productive agricultural enterprises, and under the Agriculture Now Training Unit, a three-month agriculture retraining programme was developed to focus on the principles of crop production and training in specialty areas such as cocoa production. Cocoa production is very, very important and it is something which is very dear to me, because as a young man on the UWI campus, I was always made to understand that we had the best cocoa in this country, and I could never understand why we never tried to do more with cocoa, to breathe new life into the estates that we have all over the country.

Recently I was driving through Tabaquite, and Tabaquite, for those who have not been, is one of the most beautiful places in this country. When you drive through the old estates, you feel such a sense of calm. There is such greenery, it is fresh and crisp, and more needs to be done to revive the cocoa industry in this country. The Ministry of Food Production has been doing that. Through its continued research, 11 new varieties of newly improved Trinidad-selected hybrid varieties of cocoa for plant breeders' rights were registered last year, and 250,000 planting materials were supplied to farmers. Also, two projects were designed to restore and revive cultivation of old cocoa plantations. To date, 80 farms have been identified as key areas for cocoa growing.

One of the most hard-working Members of this Government, Mr. Vice-President, is Sen. the hon. Fazal Karim. [*Desk thumping*] In his Ministry, he has embarked on a number of very innovative programmes to ensure that young people are given a diverse array of enterprises in which to get involved, and to hone their skills and to find new ways to become employed. This effort is very, very important, as we seek to diversify our economy.

One of the very important things that he has done is to launch the National Drilling Academy. The drilling academy was officially launched in December 2013 at the Ste. Madeline campus at Manahambre Road in Ste. Madeline. This drilling academy is the first of its kind in the Caribbean, Central and South America. This institution will provide our citizens with the opportunity to receive training which prepares them for lucrative careers in the upstream oil industry, both home and abroad.

He has also started marketing the training that we have here in Trinidad. So not only would we drill for oil and gas, but what we are now doing is training our people, setting up schools and inviting foreigners to come into these schools related to the oil and gas industry and obtain training in Trinidad.

Sen. G. Singh: Nigerians are already here.

Sen. L. Lalla: Correct; and what he has done is partnered with Nigeria. The National Energy Skills Centre expanded into the international market, and this began in 2011 by the signing of a landmark training agreement with QESS Services Limited of Nigeria for the training of Nigerian nationals, under the Niger Delta Amnesty Programme, at NESC's Point Lisas' headquarters.

He has also embarked on a very, very important programme, and one which I know is very dear to the hon. Prime Minister, this is called the Workforce Assessment Centre. This is in keeping with the innovation of this Government and the extent to which it cares for its population. For the first time, we have a facility where previously uncertified skilled tradesmen are able to come and get certification, which gives them some sort of documentation and shows their skill level, which could make them more employable. Minister Karim ought to be commended for this effort as well. [*Desk thumping*]

I do not want to take up time unnecessarily, Mr. Vice-President.

Sen. Al-Rawi: "Talk man, talk."

Sen. L. Lalla: Indeed obliged.

Mr. Vice-President: You have one minute of original time.

Sen. Al-Rawi: Keep talking man.

Sen. L. Lalla: The point is, this Government has done the hard work. It has toiled over the last four years to—[*Interruption*]

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. F. Al-Rawi*]

Question put and agreed to.

Sen. L. Lalla: I am indeed grateful to Sen. Al-Rawi and my colleagues in the Chamber.

A lot of good work has been done. The toil has been ongoing for four years and now, Mr. Vice-President, we are starting to see the rewards of that toil, that labour. Amid all the bacchanal and the several missteps which admittedly have taken place, we are not seeking to avoid that. This Government does not operate like that. When a wrong is done, we admit it, we take corrective action and we move on. [*Desk thumping*] So amidst all of that, one thing for sure is that this Government is focused. We know where we are going, and where we are going is into next year and five years beyond. Thank you very much, Mr. Vice-President.

Mr. Vice-President: I was not here for a while. Is it his maiden contribution?

Hon. Senators: Yes.

Mr. Vice-President: I want to take the opportunity to congratulate you, Senator. I think you did an excellent job, congratulations.

Sen. Stuart Young: Mr. Vice-President, I too would like to take the opportunity to congratulate Sen. Lalla on his maiden contribution, from the Opposition Bench.

Mr. Vice-President, as I stand here this evening, again it is a great privilege and honour to be allowed the opportunity to contribute, and despite what may have been indicated previously, I think it is an important opportunity on a Bill such as this, to make certain observations and contributions.

In thinking it through during the course of the day and deciding how to start to set the tone to the contribution I am about to make, I would like to start by reliving a conversation I had with my four-year-old son when I was dropping him to school this morning. And, yes, as Sen. Hadeed points out, he sees my sons on a morning and he asks them to give a bounce, and they do. The importance of the conversation, as I was turning the corner to drop him to school, he turned to me and he said, "Daddy, we need to put a spell on the country," and I turned to him and I said, "Ethan, what do you mean by that?" He is four years old. He said, "Daddy, the country is not in a good way and we need to fix it." He said, "I am frightened. I am afraid of criminals. I am afraid of bad people, daddy." I said, "Son, do not worry, we are working towards fixing the country."

When I used that "we", I have to admit it was not a we that was segregated by party, but it was a we calling upon all of the upright citizens of Trinidad and Tobago, because that is the only way that we can fix the country, that we must all step forward now, every citizen of Trinidad and Tobago, and take up the mantle of responsibility in taking us where we need to go. [*Desk*

thumping] And where we need to go, in my respectful view, is to First World status. How do we get there? We cannot get there, as I said a few weeks ago, through legislation. We in this House and the Lower House, whilst we have an amount of responsibility, cannot bear the full brunt and burden of the responsibility of fixing this great nation of ours.

So again I would like to start by calling upon all citizens to stand up, start as an individual by doing what is right and what is right for your country, and we, the political individuals, will do our best to guide the country through the tools that we have to get us there.

I would like to start by referring—we have heard a lot of statistics during the course of the day, and one that struck me in my research is called the Global Competitiveness Index for 2013 and 2014. It has the rankings and the 2012/2013 comparisons. I was greatly disappointed when I looked at this Global Competitiveness Index.

It ranks 148 countries of the world, and our great nation is to be found for 2013—2014 at the 92nd position. Last year we were at the 90th position, and the year before that we were at the 84th position. So what it has shown, from 2011 to current there has been a downward trend, and this is a global statistic which is similar to the global statistics we have been referred to today by those in the know. What this indicates to me is that we are not being competitive as a nation, and there is still a lot of way for us to go and progress to be made, and it is not too late.

I continue to have a dream, Mr. Vice-President. It is a dream that we the people of Trinidad and Tobago would be able to uplift. Sen. Lalla spent a lot of time speaking about crisis and, again, I think it was along party lines, and I will come to that, because he was referring to the reference to crisis by two of my colleagues on the Opposition Bench, Sen. Dr. Henry and Sen. Baldeo-Chadeesingh. I will talk about crisis, but I will leave that towards the end.

For us to get to this First World status, we need a change in attitude and we need a change in politics. How I tie that into the Bill before us—and this is a similar point that was made by Sen. Dr. Mahabir earlier today, and in a conversation with Sen. Drayton—it is my respectful view that every year a government has to prepare a budget, every Ministry has to prepare a budget and the various bodies in the Ministry prepare their budgets to go into the master budget. So this is not something that we have just started to do. This is not a re-invention of the wheel, this is not something that we are novices at.

So it bothers me why we come here—and I will get into the figures in a short while—but why are we coming here now, at this late stage in the financial fiscal year, asking for an extra almost $3.9 billion, when we have started off the year at almost $62 billion. I think the philosophy I would like to put forward with these supplementary appropriation Bills, they should really be to cover the unexpected, what could not be easily predicted, what we did not think would come. Some of this Bill does go towards that, in fairness, because it is the request for further funds to deal with the negotiations that have been concluded, and the wages and salaries, et cetera.

So that is the type of request we should be coming here to the House to make, that the Government should be coming here to make, but there are a lot of others that I would take some time to go through, that I cannot agree to, and I am not in favour of. I think there must be a better explanation of why this did not form part of the original budget, especially when we look at the magnanimous figures for some of these Ministries in their original budget estimate allocations.

What we have to remember that we are dealing with here, respectfully, are public funds, and I think very often the point is being missed that we are dealing with finite resources. We have future generations to think about and to look after, and that is something, to coin a phrase from Sen. Lalla, that is very dear to me, because I have young children, and I look around, all my friends they have young children. All of us in this House, I am sure, have either our own young children or nieces, nephews, et cetera, and it is the future generations we are here for.

We are not here for ourselves, we are here to protect the heritage and the inheritance of the future generations. [*Desk thumping*] That is the importance of this type of Bill here today, and the consideration that we the legislators have to take into account when preparing our budgets, and coming to the Houses to request further money. It is incumbent upon us now to protect the Treasury, to preserve it, to invest wisely, to ensure that the future generations have a fighting chance.

A few weeks ago in the debate in relation to the procurement legislation, I utilized a mantra that again is one that is dear to me. It is "value for money". The Government, I respectfully suggest, should use this mantra when dealing with the people's Treasury, because it is not their Treasury. It is not any incumbent Government's Treasury, it is the people's Treasury. These are public funds. Always utilize the mantra of "value for money". That does not seem to be happening. We have seen unprecedented levels of expenditure, and my fear is, and it will come to pass, that this is unsustainable. The question is when and what do we do to ensure that we mitigate and minimize the risk of it.

I have heard reference throughout the various contributions, by the Government Senators, to the region. Sen. The Hon. Dr. Tewarie, Minister of Planning and Sustainable Development, referred us to statistics and a fact that throughout the region, all the way up from Jamaica come right down to us, we are, and I think I can say without any fear of contradiction, the most prosperous country throughout the region. That is not something that we should take for granted, because every time I travel throughout the region professionally and personally, it always strikes me about how the other countries, our neighbour Caricom countries, are forced to survive and how fortunate we in Trinidad and Tobago are and what steps we must take to protect what we have and to ensure that it grows and it is invested properly and it is not squandered.

I also have had briefs throughout the islands, where it is to attempt to assist a government in solving its fiscal problems. Some of these islands, our brother and sister islands, are living on handouts from First World countries. That is a state that we must never allow ourselves to get into. So we must be very careful, very cautious, Minister of Finance and the Economy, to ensure that we do not grow the deficit, that we be cautious about our borrowings, that we be cautious about how we spend our money, because woe behold the day that Trinidad and Tobago is in a similar situation.

We are not blessed with the resources that some of these other islands have with respect to tourism. So let us not squander what we have in the public Treasury and what we have in the public purse. I think that must be the context, the background within which I would like to suggest we look at what is before us here today.

Just to set it in a bit of political context now, we heard, and it is a point that has been repeated and never contradicted here before in this House, that for 10 years of budgeting, the People's National Movement, the PNM, up to the year 2010 had budgets and allocations totalling $271 billion for 10 years. Compared to the last four years, where we are now up to $380 billion, that is a disturbing statistic.

There is another statistic that I picked up in my research, which is in 2003 the expenditure budget for Trinidad and Tobago was $15.8 billion. That is only 11 years ago—$15.8 billion. Now, we are up to $61 billion almost, almost $62 billion, and we are coming here now for a further appropriation of $3.8 billion. So we are almost up now to $64 billion, $65 billion.

For the year 2007, the expenditure was $37.2 billion; 2008, $42.2 billion. I remember the outcry at the time: What is going on? The headlines were "squandermania"; "You have crossed the threshold of $40 billion." In 2009, the real expenditure $46.4 billion; 2010, $44.3 billion. So for four years, the last four years of PNM, it totalled $168.3 billion, compared with 2010—2011 $52.1 billion; 2012, $54.6 billion; 2013, $58.4 billion; 2014, a record expenditure of $61.3 billion, and we are now coming here today to increase it to $65 billion.

Mr. Vice-President, this is great cause for concern for us all in the country of Trinidad and Tobago. This is where we should be hitting the pause button now, and calling for a higher level of transparency and accountability. [*Desk thumping*] Let us look at the figures being spent. Let us all call upon the Government to account for the money being spent.

Prudence suggests that rather than we encourage unprecedented and in many cases, in my respectful opinion, unwarranted levels of expenditure, we should be ensuring that we get value for money. Where has this money gone? We are now at the highest budget ever, and we still need $3.8 billion more. When I thought about it, the THA that has been clamouring and fighting with central government for a sufficient budget, only got $2.45 billion. So the allocation we are looking at today exceeds that by 55 per cent.

Sen. Maharaj: You are eating into Shamfa's station. [*Laughter*]

Sen. S. Young: I sought her permission, and she told me I could make very limited reference to it.

So that takes me now to the concepts of accountability, transparency and the fight against corruption. Just to touch briefly, because it has been a point raised that has been raised on both sides here this evening. There has been an outcry by people within the Government about the LifeSport Programme, and still the Ministry of Sport has the audacity to come here today and ask for an extra $32 million.

For this fiscal year, the LifeSport Programme was allocated originally $113,502, 273. Mr. Vice-President, $113.5 million was allocated originally to the LifeSport Programme for this year. We have heard consistently throughout contributions today, that the total figure which started off at $6 million for the year, has now crossed $300 million for the year, which is more than expenditure allocations, original expenditure allocations for many Ministries, and this is one programme in a Ministry. [*Desk thumping*]

That alone without the allegations of corruption, Mr. Vice-President, respectfully, is a cause for concern. Put aside the allegations that are being made by Members on the other side that alerted the population at large to disenchantment, disarray and allegations of corruption, we are looking at $113.5 million and asking $32 million more for a LifeSport Programme—a programme for a certain band of people, 60 people in 41 regions, et cetera, et cetera. We have heard enough about it within the last few weeks. And that, as I hear from my friend, Sen. Vieira behind me, where is the value for money there? [*Desk thumping*]

9.05 p.m.

The only statistics we heard came from Sen. Lalla a short while ago, hand-picking, cherry-picking, Mr. Vice-President, a couple boys here, a couple boys here. He made a statement that cannot be refuted. If you save one life, you have done something. I agree with him wholeheartedly. But at what cost? One life at the cost, two lives at the cost of $300 million, respectfully I think we can get better value for money investing that in proper schooling systems, investing it in after-schooling programmes where young children who are without guidance can go and get homework supervision, be given the extracurricular activities in a proper environment where they are not exposed to criminal elements. We are being told that this money is being used for a cache of arms. I, for one, am grateful and sleep better at night that the Minister of National Security has assured the population that he is on top of it, and he is looking after it, and any criminal element in there he will squash and deal with.

Sen. Al-Rawi: He is being sabotaged by his own Government.

Sen. S. Young: They talk about an audit—their response is an audit. As Sen. Al-Rawi says, in this type of programme an audit has to move with a degree of stealth, a degree of not having the people who are being audited know that it is coming. We have heard the auditors' cry for protection from the Ministry of National Security. We have heard the Minister of Finance and the Economy tell us that they have asked for it, and it will be provided by the Minister of National Security. Do you think in those circumstances this country, Mr. Vice-President, can wait with bated breath and rely upon the outcome of such an audit, where we have had already persons closely associated with the programme in a protective—they are there to serve a protective service—have been snuffed in the middle of the night whilst debate was going on in the Lower House? I think not.

Sen. Al-Rawi: For a life.

Sen. S. Young: So back to it, Mr. Vice-President, and back to the mantra as we try to move our beloved nation and our beloved country towards first world status. I respectfully suggest in the last four years we have been in reverse and moving backwards. [*Desk thumping*]

I would like to point out an executive overview that was prepared by one of the recognized Big Four firms, accounting firms, at the end of the last budget. And the reference to it is, I think, we must set in context, Mr. Vice-President, respectfully, we came—the Government came with almost $62 billion in the original budget, why are you coming here for more and not the items, the unexpected items, not the negotiation of salaries and wages, and this is the context. This is what we were warned of. They start off by a quotation from Warren Buffet.

> "Price is what you pay. Value is what you get."

So, Warren Buffet is thinking along the similar terms that Sen. Vieira and I have shared—value for money. And they go on to caution:

> This is a—"…record expenditure budget of $61.398 billion…"—net of capital repayment and sinking fund contributions.

The significance of that, Mr. Vice-President, for the elucidation of the nation and those listening, is that this is not money that is being spent for capital repayment or sinking-fund contributions, it is net of that.

> They warn us. They say, these are the things that we would like to highlight, "…most of these disconcerting trends, which we discuss further below."
>
> 1. The "Deterioration in debt profile since 2008: A historical review of the country's debt profile demonstrates that the State's debt to GDP ratio increased measurably from 24.4 per cent in 2008 to 44.7 per cent in 2013 as reported by the Minister."

We spent some time earlier today highlighting this.

> "This can be largely attributable to the increase in Government borrowings arising from the bailout of the CLF Group/Clico, and less significantly due to borrowings in relation to government capital projects. This trend is unsustainable in the medium term and actions must be taken by the Government to rein in our country's debt to GDP ratios to levels that are internationally acceptable."

I will come in a short while, Mr. Vice-President, to asking the questions. I accept, as I am sure Sen. Tewarie was about to ask, what should have been done when they inherited the CLF/Clico bailout?

Sen. Dr. Tewarie: Where would you get the money from?

Sen. S. Young: Mr. Vice-President, one of the questions that is being consistently asked and we are not getting the response for it—two questions in my respectful opinion. That $25 billion figure that we heard bandied about, I think, a couple months ago in this Chamber, does it include all of the associated expenses? That is my first question.

The second is, what are we doing to recover it? If there is going to be a shortfall, and I accept that at this stage there is still some level of unpredictability as to whether there is going to be a shortfall, what are we doing to pursue it? I know, I think of one, possibly two actions that have been taken against the former shareholders or the directors, those in charge of CLF and Clico. Of course, we intervened in 2009, so we are going to have limitation problems against any future action. My question is, what has been done to ensure that there is no shortfall? Where is the accountability with respect to that?

Another area that was highlighted by the big accounting firm is that—"the Non-Energy Fiscal Deficit continues to rise:"

> The third one, the—"Transfers and subsidies continue their growth path. Statistically these payments have increased from $17.9 billion in 2007/2008 to a projected $29.7 billion in 2013…"

4. "Little improvement has been recorded in T&T's Global Competitive Ranking;"

I referred to that.

5. "The State's expenditure pattern continues to balloon:"

And this was the most important point to me:

> "In 2003, the country's expenditure budget was $15.8 billion. In 2013/2014, it is projected at $61.398 billion, continuing a worrisome trend of higher and higher Government spending patterns."

This is not a warning by politicians, Mr. Vice-President. This is a warning by respected international "big firm four", of one of the big four firms, telling the country, telling the reader, telling us that expenditure is ballooning, you need to be cautious; what is going on? And what happens after that?—they now come to the House asking for almost $4 billion more.

One of the issues that has been bothering me and a lot of people in the country within the last few months, and it is an issue that was highlighted originally by the Opposition when they held a press conference, is this issue of the foreign exchange.

The Minister of Finance and the Economy has been quoted, as I will go to a short while ago, in saying that there were problems with this new allocation system. I would like to just take a few minutes to quickly walk through the process. For almost—well for over 20 years there was a system that existed because, of course, the Central Bank is not there to serve a Government. The Central Bank is there to serve the people of the Republic of Trinidad and Tobago. The Central Bank is an independent body that is there to protect the same future heritage that we talk about, to advise the Government in power how to invest their money—they play an independent role—and to put in place policies and procedures to protect the money that flows through this country, and an important factor is the foreign exchange.

For 20-odd years there was a system that worked. The system was an "allocatory" system based on market share because it is quite readily accepted, and cannot be refuted. I say respectfully, Mr. Vice-President, that the majority of the country, the citizens in the country of Trinidad and Tobago will go to one of the major financial institutions when they require foreign exchange. But there are 12 institutions that are licensed to trade in foreign exchange. And what happens? In or about May 2012, a decision was taken by the Central Bank to change the allocation system from a traditional one where it was shared, in the majority or in the whole, amongst the major financial institutions, the major banks. [*Crosstalk*]

Sen. Al-Rawi: In May 2014.

Sen. S. Young: No. This actually took place in May 2012. That was the first change under the current Governor of the Central Bank. At the time people looked at it, and what he started to do now is a different allocation process. But like a thief in the night, on April 01 of this year, the allocation process was changed. It was an allocation process that was working. All of a sudden it was changed. This is what I would like to highlight.

They worked some fancy formulas, and they said that the institutions, the bps, the Petrotrins, those large companies in Trinidad and Tobago, Mr. Vice-President, that earn the foreign exchange that are then pumping it into the system now have the ability to take the first 25 per cent and go to act one, any one of those 12 institutions; and there are some institutions in there, and in particular one institution in there that it just did not make sense to me. Because that institution

does not, unlike the others who may be able to argue they had legitimate forex clients, traditionally it would not have forex clients. And when I checked and did my research on it, the only foreign exchange that it has been carrying on trade in is United States dollars.

So what they did is that they narrowed it down and said the first 25 per cent can go to a particular institution. So, one of these foreign exchange earners can go to one of these 12 institutions and give 25 per cent, and then there is a split of the rest. The split was a 10 to 90. So the first 10 per cent of it is shared amongst the 12 equally. The other 90 is to be auctioned, and auctioned in a closed-door manner. All that the institutions and the public are told is what was the winning price of the auction and what are the ranges auctioned.

We did not know from April 01 who was getting the allocation of the United States dollars, which of the 12 institutions. But what we do know is that the banking institutions in Trinidad and Tobago were not getting as much as they were getting before. We know that there was a shortfall that caused the need for capital injection. And it was mentioned, I think, by Sen. The Hon. Dr. Tewarie during his contribution. I think he was the one that mentioned—yes.

> "…in this day and age…"—we need close collaboration—"…between the Governor of the Central Bank and the Ministry of Finance and the Economy…"

And I could not agree with him more, even though the Central Bank is supposed to be an independent institution. And that is because the Minister of Finance and the Economy, thankfully, has significant experience from his former life as a banker to obviously—and he said he had discussions with stakeholders—obviously put the pressure where it needed to be put because the system was not working.

I understand, from reliable sources that around the stroke of midnight last night, this allocation system was changed. I have been searching low and high to try and find what the new system is. I cannot find it. It is nowhere to be found. Even on the Central Bank's website, I could not find what the allocation system from April 01 to midnight last night was. And this is the concern, and this is what we, the people of Trinidad and Tobago must now call on the Governor of the Central Bank to release to us. Tell us from April 01, 2014 to your change of policy at the stroke of midnight last night, starting to July 01, now—when I understand that he has reverted to a similar system—he must tell us who got allocated the US dollars that were floating in the country. [*Desk thumping*] Tell us. We want to know which institutions got what.

My understanding, Mr. Vice-President, is that the previous reporting procedure was shut down by the Governor of the Central Bank with a message that these reports are not going out. So in other words, there is no need to know; well I disagree. We need to know who got US money, Mr. Governor of the Central Bank, from April 01. [*Desk thumping*]

Sen. Al-Rawi: And why?

Sen. S. Young: And why? I want to know why was there that change of policy, as Sen. Vieira said, on April Fool's Day, April 01, 2014. There is no explanation that has been proffered, and we need to know why the change. Because it did not make any sense.

9.20 p.m.

How could you now move it into a secrecy? And, you know what? As usual our media in Trinidad and Tobago, which is a vibrant media and always on the pulse and the ball, on most occasions, told us via a *Guardian* article by Renuka Singh on May 25, 2014. You know what the headline is, Mr. Vice-President? "Secrecy over new foreign exchange allocation system". You know who is the first person or the first institution to alert us to this April 01 allocation?—RBC of Canada.

It did not come from the Central Bank. It was a report from the RBC of Canada, talking about their concerns about this change in allocation system. The press then picks it up and says, "What is going on? Why is there a secrecy?"

> "A new foreign exchange allocation system introduced by the Central Bank of Trinidad and Tobago…last month has changed the amount of foreign exchange each bank—and by extension its specific clientele— has access to. While the Central Bank has confirmed the new system, it has refused to divulge any further information on what triggered the changeover or how the new system is expected to improve access to foreign exchange?"

And you know what?—hindsight is 20/20 vision. The new system failed. Provide an explanation now Governor of the Central Bank, why you changed it? On what basis did you change it? And who got the money? The Minister of Finance and the Economy is on record saying, distancing himself from it—[*Interruption*]

We make the calls, Mr. Vice-President, through the Minister of Finance and the Economy, get the Governor of the Central Bank, who will run behind—he does not have to report to anyone—to tell us why. That was one of the issues that I was coming to raise here today, and it frightened me when I listened to my

friend Sen. Henry talk earlier on, so I will spend a bit of time on it whilst I am on it. We now know as a fact that the Central Bank currently has five governors. That is unacceptable. Five Governors, one the Governor of the Central Bank.

Sen. Robinson-Regis: Five board members.

Sen. S. Young: Five board members. One, is the Governor of the Central Bank; two are Deputy Governors, who we know he sidelined. How do Deputy Governors stand up to the Governor in a board meeting when he is their direct report and their boss? And we know that he has been sidelining them. There are then two others, the Permanent Secretary in the Ministry of Finance and the Economy and then one independent. I assume he is independent.

So, we now have this institution, created by statute, created by law to protect the money of the people of the Republic of Trinidad and Tobago, with fiscal policies and procedures being governed by a board of five—two of which you can count out immediately because they are the direct subordinates of someone we are hearing a lot of murmurings about, is exhibiting dictatorial tendencies. We then hear, and again it is frightening, about a Mr. Dingwall being brought in as the actuary. We are hearing about a Mr. Ram Ramesh, who has a history, also being brought in as one of the advisors, and I will stop there. I think I have marked the point that there are serious concerns that we have on this side and that any right-minded and thinking person and citizen of Trinidad and Tobago should have.

But, in the meantime we call upon the Governor to answer those questions with respect to the forex allocation system that he employed in the stealth of night and that failed miserably. And thankfully, due to the calls by the People's National Movement in a press conference, I alerted the public, pressure was put, the Minister of Finance and the Economy, jumped on the bandwagon, and we now, I understand—I have not been able to confirm—at midnight last night there was a change of policy that we the public are still waiting to now hear what is the new policy. Why has he moved away from it?

If I may then move to something that I have not really seen much done of during the course of today, which is to go through some of the items that the Government is asking for supplementation on. There are some of them that I must highlight because it concerns me. Under Head 18, the Ministry of Finance and the Economy, is asking for an additional, almost $1.7 billion. Out of that there is supplementary funding of US $40 million, they say is required to provide support to the financial systems of the OECS states as a result of the Clico/Baico collapse.

It comes back to the question I asked a short while ago. I can only assume that this decision is taken because it is a necessary one. As a litigator, I think I can guess that if we did not do it, there may have been lawsuits by—because I know

Baico in the Bahamas, et cetera, and some of the other islands, at the outset were put under judicial management and, maybe it is that they were threatening to sue and that could have spoiled the whole way we dealt with Clico and CLF. But the question I have is, what is being done to recover these funds? US $40 million is TT $258 million. What are we doing? What is the Ministry doing to ensure that we are able to recover those funds?

Under the Ministry of the Attorney General, they are asking for $13.9 million now. I checked, the original allocation is $259.3 million. LifeSport is almost half of that. I see here under Goods and Services, contract employment. Contract employment is a recurring theme throughout this supplemental, and one of the questions that—and I am told, when the Government was in Opposition they screamed from the highest of mountains, and Mr. Vice-President, this will be dear to you—as Sen. Lalla uses the term—as a trade unionist, the use of contract workers; and the abuse of the use of contract workers seems to be a recurring theme throughout this appropriation, because everybody seems to be requesting additional money to pay contract workers. This is the explanation here. They want $5 million more—sums are required for the filling of critical vacant positions resulting from the marked increase in casework requiring the Attorney General's input.

Mr. Vice-President, I am certain if we ask for the statistics, there has actually been a decrease in lawsuits against the State since 2010. I am certain of that.

Hon. Senator: Why?

Sen. S. Young: Because the current Attorney General was the chief litigator against the State when he was in Opposition—

Sen. Al-Rawi: Now he is settling all the matters.

Sen. S. Young:—but now he is telling us he wants more money for contract workers. That is something I have a concern with. He tells us he needs an extra $8 million to pay outstanding fees.

The Ministry of Legal Affairs wants $56.7 million extra, an original allocation of $141.1 million. The issue I flagged here is, we see under Promotions, Publicity and Printing, $9 million. The sum would be utilized to liquidate the expenses incurred as a result of additional media campaigns. Nine million dollars as an additional—$9 million for media campaigns. Surely, when putting in your budget as the Ministry of Legal Affairs and every other Ministry you would have allocated in your original expenditure an amount for advertising.

But what we are seeing now, and I am putting it out there for the public to consider—[*Interruption*]—correct, well, it was $10 million he actually said for the constitutional consultation campaign. What I am putting out there now is, I have recently started, once again, reading the newspapers, and the "proliferance" of full-page ads being taken out by Government Ministries, talking about certain things that I certainly do not think need to be a full-page ad, we need to mark the spot, what is taking place. These ads and advertising campaigns cost money. They cost a lot of money. It is the expenditure of state funds, it is the expenditure of public funds.

Ministry of Food Production, the original allocation $695.6 million, asking for an additional $145.5 million. My friend, Sen. Lalla, a short while ago, told us about the great things that have been taking place under this Ministry. Today's *Daily Express* on page 12, the *Daily Express* for Tuesday, July 01, 2014, Clarence Rambharat, "Green isn't always better":

> "Is the new Caroni Green Ltd a slush fund or public relations gimmick? The 'agriculture initiative' was set up in March 2013 by the Minister of Food Production as a project of Caroni (1975) Ltd to provide prepared lands, technical expertise, and a guaranteed produce market to contracted farmers. But, Caroni Green has lost millions of dollars. For the farmers contracted to grow and supply produce to the company, Caroni Green is a disaster. Among 17 Caroni Green employees racking up quarter million dollars in administrative costs monthly, not one has agriculture expertise. This was missed by the Caroni (1975) Ltd board of directors, even as it paid over $360,000 to a public relations company to make Caroni Green look good.
>
> At the formal launch of Caroni Green in 2013, Minister of Food Production Devant Maharaj anticipated that by December 2013 the company would have 1,800 acres of lands under cultivation at a cost of $6.8 million, with revenues of $29 million"—that would have been value for money—"By August 2013 the ministry reported it,"—quote—"'brought 5,800 acres of former Caroni lands, mainly two-acre plots leased to former workers under the 2003 VSEP', under sustainable and profitable cultivation on a phased basis. A May 2014 draft audit report from Ernst and Young shows that only 360 acres of land were under cultivation"—a predicted 1,800, buying 5,800 but only 360 acres of land under cultivation—"millions spent, and millions lost as contractual arrangements fell apart and Caroni Green became a public relations gimmick.
>
> Ernst and Young found the key components of good governance to be non-existent; inexperience and lack of leadership; a lack of adequate policies and procedures; and a very basic control environment with limited monitoring and

> no emphasis on controls or accountability. Caroni Green was heavily reliant on a 'finance consultant' for its day-to-day operations and in many cases major contractual and other obligations were assumed on behalf of the company by an IT manager and administrative officer, executing as 'general manager' and 'operations manager' respectively. In quick time Caroni Green lost its way and no one noticed.
>
> A key finding related to the Caroni Green's failures in its first year is the poor quality of land preparation for farmers, requiring expensive remedial work and duplication of cost,"—et cetera, et cetera—"In late 2013 Minister Maharaj incorporated Caroni Green and moved to appoint a board for the company because Caroni (1975) Ltd was 'not structured to operate as an active business entity' and it lacked, among other things, procurement procedures. Ernst and Young found that Caroni (1975) Ltd had adequate purchasing policies but senior employees assigned to Caroni Green claimed to be unaware of those policies. Still, monthly Caroni Green status reports assured that 'all procurement for goods and services were sourced using Caroni's policies and procedures'.
>
> For farmers, Caroni Green's failures hit their bottom line. Ernst and Young found that Caroni Green passed non-existent overhead costs to farmers."

They are doing that to the farmers. The same farmers that, I know, Sen. Maharaj set out to do good for. This is what this state enterprise was doing to them.

> "Expenses passed to farmers were inflated by 36 per cent and other critical problems soured the relationship between Caroni Green and farmers. Having spent $218,000 on a 'marketing plan', Ernst and Young found that Caroni Green really had no plan for farmers' produce it purchased, then dumped."

Sen. Al-Rawi: Dumped?

Sen. S. Young: Dumped, so they purchase the produce from the farmers and then dump it.

Sen. Al-Rawi: That is what Sen. Lalla was talking about, the crisis.

Sen. S. Young: Mr. Vice-President, these types of stories are not unusual ones, and this is what bothers me, and this is what should bother every right-minded, thinking citizen of Trinidad and Tobago. [*Desk thumping*]

The Ministry of Health, I just marked the spot, the original allocation was $4.2 billion.

Mr. Vice-President: Senator. 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. C. Robinson-Regis*]

Question put and agreed to.

Sen. S. Young: Thank you very much—[*Desk thumping*]—$4.2 billion is the original allocation for health and they still come for $239 million more. And when you look at it, it is transfer and subsidies for the health authorities. Again, one questions: what is it in there that they could not have budgeted for, or what cannot be found in the original $4.2 billion?

Sen. Robinson-Regis: Exactly.

Sen. S. Young: Not hundreds of millions, $4.2 billion.

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

9.35 p.m.

We have heard from the other place, the Lower House, about the issues with the *MV Super-fast Galicia*. For six months it is being leased from April 2014 to September 2014 for $51.5 million. The issue is, nobody checked to see whether the ramp at the port in Port of Spain could dock the ferry to allow the motor vehicles to drive on and off. So now we have to restructure it.

Sen. Al-Rawi: Helicopter users do not check those things.

Sen. S. Young: No, they do not. Ministry of Local Government had an original expenditure of $2.2 billion. They are asking for $417 million extra. Ministry of Tobago Development—first of all, and I have sought Sen. Cudjoe's permission to raise this point and she told me I can.

First of all, there is a philosophical problem when you have via the Constitution and the legislation, we have agreed to set up an entity and a statutory body to run the affairs of Tobago called the Tobago House of Assembly. Why is there this Ministry of Tobago Development?—is my first question. It had an original estimate of $74 million and they are now coming to ask for $40.3 million extra. So that is double, right, over 50 per cent, and what is the majority of it to do? To construct a building for meteorological services in Tobago. I see that they want to provide now for money for the Chutney Soca Monarch and the International Soca Monarch.

The Ministry of Planning and Sustainable Development, facilitating the payment to PricewaterhouseCoopers for consultancy services provided in negotiating the basic terms and conditions of the commercial lease for land at Invader's Bay of $1 million. I almost asked the Minister for a brief to do it myself at a cheaper rate next time.

Sen. Al-Rawi: Does he have the authority to dispose of the land? We do not know that as yet.

Sen. S. Young: Well, that is a question that has been raised. I see here quite interestingly, the further supplementation that you are seeking is for the hosting of the Eighth Americas Competitiveness Forum by Trinidad and Tobago. They are asking for $20 million to do that. Again, in essence I think that is a good thing for the country. It is something that we need to be doing especially when I start off by saying we need to increase our competitiveness. But it triggered my memory bells that when—[*Interruption*]

Sen. Al-Rawi: CHOGM.

Sen. S. Young: Correct, CHOGM and the Summit of Americas, when those were being done, the great outcry and the criticism of it. [*Crosstalk*] No, but those are for the Heads of State, this is not a Heads of State, this is a small competitiveness forum. [*Desk thumping*] Current transfers. This is the one that we have heard, this is the one that we have heard throughout.

The Ministry of Sport's original estimate, Mr. Vice-President, $697.8 million. That is almost $700 million for the Ministry of Sport, and he comes now and asks for an extra $41 million, 32 of which we now know is for the LifeSport Programme, and we are told, well, just give me the money, I will not disburse it until I get the audit. We are all waiting with bated breath for an audit that we have no faith in, the audit, and not because of the persons conducting the audit, but because of the circumstances under which they must operate. [*Desk thumping*]

Ministry of Works and Infrastructure, an original estimate of one point—almost three billion dollars, coming now asking for an extra $200 million. Under "Other Contracted Services" they want $75 million. And what is the explanation? Funds are required to meet payments to contractors for works to be completed; for works to be completed. Surely at the beginning of your fiscal year you would have known what you were projecting, what had to be done, et cetera, et cetera.

The Ministry of Communications, an original estimate of $84 million. They are asking for $10 million. And this is for additional funds required to enable the Ministry to formalize the development of its strategic plan and implement the action items associated with the plan. I think the only words they have forgotten out there were, "election plans".

Ministry of the Environment and Water Resources, my good friend, 2.9 they almost gave you $3 billion originally, so I think you just wanted to cross the $3 billion mark. I just question, because I have not heard much about it, but under

"Other Contracted Services" $20 million, funds required to meet the cost associated with the proposed national clean-up campaign. So we are giving you $20 million to clean up—and then you can do it.

Sen. Al-Rawi: That is the Bill that shut down, the beverage Bill.

Sen. S. Young: And then of course you are asking for an extra $75 million to deal with mitigation plans associated with flooding as the rainy season is coming.

On-the-Job Training, under the Ministry of Tertiary Education and Skills Training, an original estimate of $2.6 billion. They want $33 million more for the purpose of increasing stipends to trainees of the programme. I flagged that, that did not make any sense to me. You are already three-quarters of the way through the fiscal year and now you are coming to increase the stipend to the trainees of the programme. I think that is something we need to keep our eye on.

Then, under the development programme $121.4 million extra for the establishment of a whole set of—establishment of a skill and technology centre in Debe/Penal; establishment of a training facility in Woodford Lodge in Chaguanas; construction of a drilling school in Ste Madeleine; establishment of UWI south campus in Debe; construction of an open campus facility in Chaguanas; construction of headquarters for MSTTE, NTA, YTEPP and it just says ACT, but it does not tell us where, and it says that sum of $37 million for that one is needed to meet payments for mobilization fee and infrastructural works.

Mr. Vice-President, I would like to thank you for the opportunity to highlight some of those issues that I have tried to do today and to go back to the mantra of value for money, and to call upon, again, in closing, every citizen of Trinidad and Tobago to step up to the plate and we must all now take up our own responsibilities and duties and do what is right.

Sen. Al Rawi has requested, and I have agreed, that a lot of complaint and picong was thrown his way for some of the stuff he raised today, and Sen. Lalla and my good friend Sen. Hadeed are the ones who raised, "if you have evidence take it to the police". My initial reaction to that was, when you were talking about the rats and corruption, did you take it to the police?

The second point and more important point though is, under section 55 of the Constitution, we have the privilege and immunity of Parliament. And I would just like to mark that point. One of the purposes that is constitutionally protected and the privilege of Parliament is for the protection to raise the issues exactly in the manner that Sen. Al-Rawi did today. That is his prerogative, that is a privilege, that is a right that has been expressed by the Constitution, that every one of us has

in this Senate, and we must use it, it is his duty, as Sen. Vieira points out. And I agree with Sen. George that it is a duty that must be taken seriously and used seriously. I do not think for one moment that was breached by Sen. Al-Rawi.

And in closing I would like to thank, as usual, all of the Members of the Senate for the opportunity to make my contribution here this evening and just in closing to say as we go forward, let us protect the public purse and Treasury. Thank you very much, Mr. Vice-President. [*Desk thumping*]

Sen. Dr. Victor Wheeler: Thank you, Mr. Vice-President. Seventeen minutes to ten, it is getting quite late, and we have been here since 10.30 a.m. [*Crosstalk*] I will be brief. In my contribution on the Finance (Supplementation and Variation of Appropriation) (Financial Year 2014) Bill, 2014—[*Interruption and desk thumping*]

[SEN. DR. ROLPH BALGOBIN *in the Chair*]

Mr. Presiding Officer, welcome—I will just be addressing two areas, Sir. Very briefly, I will be touching on the THA, but I know that Sen. Cudjoe, well, I know that she will expand. I am sure she would not mind my skirting on it briefly. But the bulk of my short time will be focusing on some very important matters in the health sector which I believe could be approaching a crisis.

Now, Head 15 of the Bill points out that the THA was allocated $187,880,000 out of a $3.8 billion budget. This actually works out to be 4.9 per cent of the supplementation Bill, and at least this time unlike when the budget was presented it is a shade more than the 4.03 per cent that Tobago is normally allocated. So I want to thank the Minister of Finance and the Economy for that. I note that the money is to be used, supplementary funding is needed to meet anticipated cost of honouring the new industrial agreements from the SRC and other industrial agreements.

Now, Head 28 which refers to the Ministry of Health being given an additional $239 million, and it says here additional funds are required to meet the operational and administrative cost of regional authorities. Now I note that the Ministry of Health does not have any allocation for honouring any new agreements, whether it is from the SRC or otherwise. Now, the reason I am mentioning that is I referred to a question that I asked the Minister of Health to respond to last week, when I asked, what was the time period for the last collective agreement for doctors? And that time period was 2006 to 2008. Yet I see in the appropriation Bill today, it is being referred to pay salaries and wages and arrears for negotiation periods varying from 2011 to 2013, 2011 to this year.

Further, we have a supplemental question that I had asked about the removal of the tax exemption that doctors enjoyed, ever since the RHA came into being from 1994 up until 2012, when, for some reason according to the Minister of Health and I quote him:

> "The tax exemption existed for all travelling officers who were public officers over the last—since 1994, since the RHAs were formed. However, for no apparent reason, approximately two years ago the CPO just removed that from the RHA doctors; and one questions the reason why and the motive."

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

Now—Mr. Vice-President, welcome back—some doctors are of the view that they are being punished for some reason. They are being punished because in the year 2014, they are being paid a salary of the wages for the year 2008. And since the removal of that tax exemption in 2012, doctors in the public service are actually earning less in real terms than they did two years ago. Why, why, why, is this?

Now, Sen. Al-Rawi referred to a situation with—well, I would not say new interns because they are not interns, they are potential new interns. In other words, they are doctors who have passed their exams and the next stage from passing your exam is to start your internship. But suddenly, when they have been enquiring—the normal time to start internship is July 1, exams are usually held the beginning of June, and you have doctors who did training, most in St. Augustine, but also some in Jamaica, Barbados, Bahamas and even Grenada. And a little over a week ago they were informed that instead of the normal one-year internship period, this is now two years.

Mr. Vice-President, I refer to when I myself passed my exam way back in 1987. During that time, there was just the Ministry of Health. You do your exams, you passed it, then the beginning of the next month you start your internship. And this was a fairly smooth transition. You would just need to indicate to the Ministry which hospital you would want to work in and once there was a place, you would be assigned. At the end of that internship period, now mind you, during that internship period medical interns were provided with accommodation, accommodation on the hospital compound. This was the case for Port of Spain and San Fernando.

9.50 p.m.

After your internship period, coming to the end of it, you would indicate to the Ministry which hospital you would like to do your post internship work in, that is you are a house officer. You indicate that; the Ministry says okay, you can go to

this hospital. You start working. In fact, in those days there was nothing like a contract. You would start working, you get paid and then somewhere along the way, you would have to do a medical and then you would be given permanent employment.

From 1994, when the RHA system came into place, there was a slight change because when you finished your internship—during your internship you will be paid by the Ministry of Health. To become a house officer, you would then seek employment with the RHA. Up until about probably 10 years ago, there was a smooth transition from internship to house officer, but what started happening over the last few years, towards the end of your internship you would need to apply for a house officer position and then you needed to be interviewed. Now, in my experience as I said, there was nothing like an interview. You went straight from student, passed your exam, you started internship, then you started your house officer position.

Today, there were students who did exams in early June expecting to start their internship from July 01. There were actually 136 students who passed the exam in St. Augustine. I have been informed that there are 20 from Jamaica who did exams and came to Trinidad. Now, instead of having that internship start on July 01, they were informed by the Minister of Health that the internship will now start on August 01, and if the interns wanted to work in July, they will be given a locum contract.

Now, I have a copy of what this contract—well, it is actually a letter and if you just permit me to read. It is from the Human Resource Management Division, Ministry of Health dated June 30, which was yesterday.

> Dear Doctor,
>
> Approval has been conveyed for your short-term employment as a locum intern medical services for the period 1st July, 2014 to 31st July, 2014 at a monthly rate—

Well they gave the rate.

> You are advised that because of the duration of the period of engagement, there are no facilities for any type of leave. As a consequence, you will not be paid during any period of absence from duty within the period 1st July, 2014 to 31st July, 2014.
>
> However, you are required to inform the Medical Chief of Staff in writing of any period of absence.

Now, I remember when I finished training—you studied for, in my case, five years—you are anxious to start working as a doctor. All these years of studying, you are very keen. Now, if I was one of those students receiving this, I would be crushed because I would want to know what is going on here. Why—and I am asking that, and I am asking my colleagues as well: why are the young budding doctors being ill-treated and mistreated in such a manner? [*Desk thumping*] The reason being, the medical fraternity is already under a lot of pressure. I am an obstetrician/gynaecologist and I have seen the reports of the baby that died from the injury to the head. Very, very tragic and I empathize and sympathize with the mother and family. There was also a mother that died three years ago in San Fernando, again, very tragic. I have seen the reports and it has been in the media that the report is going to be going to the DPP for his review.

It probably has been sent to the medical board, but it is going to the DPP and some doctors are asking—well, you are working in an environment that has so many deficiencies. You are trying your best. You are working in an environment where your terms and conditions have actually been eroded. Every other sector in the country expects at least after every few years their package would increase. You chose to stay in the public sector rather than go privately and some are asking, is it really worth it? The field of obstetrics, which I am in, is one that attracts the highest rate of litigation and I am already aware that colleagues who practise privately have stopped delivering babies privately. We are actually heading to what has happened in the US where there are certain states where you could hardly find a doctor to deliver a baby because the litigation is so high.

Now, the other thing that is worrisome, I have asked a question that I hope the Minister of Health will answer, which is: when you are practising in the public sector, who provides medico-legal coverage for you in case you have a problem? I am hoping he will answer that because some of us who are practising right now are not sure at all. When you were employed by the Ministry of Health, if any problem the Office of the Attorney General would provide legal advice, support and so on. Mind you, in those days, that is prior to 1994, you did not have the type of litigation that you have now, and after 1994 there were a couple lawyers who were known for taking action against most of the doctors. Their status has changed because one or two of them are actually in Government now, but it is a concern and it is something that I think needs to be addressed seriously because we cannot continue the way we are continuing now.

Now, coming back to this issue of the two-year internship. Sen. Al-Rawi has said that—I am not a lawyer, but on a review of the Medical Board Act, it is possible that the Minister may have stepped out of line because of the fact that

there was no consultation with the medical board, there was no consultation with the medical association. In fact, in all my years as a doctor, when I started internship in 1987 my internship was actually for two years and this has slowly reduced to one year, and it is one year in all the campuses in the Caribbean.

So I want to ask: what is the reason for extending it to two years in Trinidad and Tobago when it is not in the other countries? It cannot be because of the baby that died, because that was one instance. Has there been any collection of data to say that there is a problem with the Trinidad internship programme? Because if that is so, then the doctors who supervise these interns need to be looked at.

Now, I am aware that even though the Minister of Health has stated that the internship period is going to be for two years, it is going to start in August, clearly it is not going to start in July because July has started today. I have been advised that the reason why it is starting in August is because they want to standardize and make sure that there are batches of interns that start August 01 and February 01. That is fine. But, I am yet to be convinced of the need to have it go from one year to two years when this is not the case in the other islands. It is the same training that the doctors who have graduated, they did the same training, they passed the same exam. It is the same team of examiners going through the different campuses to examine the students. I am not aware of any study or report that was done to say that there is a particular deficit with the internship training in Trinidad. But if there is the need to do that, there should be some consultation with the stakeholders.

I am aware that the Minister has said that, on this Friday, he has asked those who want to come with a different position to provide a position paper. I gather there is going to be a meeting. I hope that some good sense will prevail because this contract that I read out, I have been informed that well over 100 of those potential interns have refused to sign the contract to be medical locums. So the hospitals are not going to have many interns for the month of July.

There are some doctors who have signed the contract. I gather some of them may have some serious financial constraints. Because you went to medical school, even though you might have scholarship, you still have expenses. You would budget for being employed from July 01 and expecting a salary at the end of July. So even though this is a very reprehensible document to provide to these young persons, a couple people will take it. But that is going to be a problem because come August 01, if it is there is no change, no reversion to the one year and the internship is two years—Sen. Al-Rawi has suggested that some doctors may opt to go to another jurisdiction to do the one-year internship and then return via

CSME. The difficulty with that is that, over the years there has been a growing demand for internship places and I am not aware that there are many hospitals in the other countries where they would easily find an internship post. So the doctors here are in a bind, and it is not right that you are starting your career to have this level of anxiety, distrust and, in some cases, disgust with your employer. I hope that at the meeting on Friday, good sense will prevail and some compromise will be arrived at.

There is no reason if the Minister or the people in the Ministry—because reading this document here, I am pretty certain the Minister of Health—in this document there is the Permanent Secretary's title below, but it is not the Permanent Secretary who signed it. He, being a doctor himself, I am pretty certain, may not have even seen what is written on this letter of offer, because he, I am certain, would not be happy to start his career like that. So I am pretty certain there might be somebody else who may have drawn up this and just passed it on to the doctors.

Another thing that should be mentioned here is that there is a union, MPATT, that is supposed to represent doctors, and since this issue has started the only organization that I have heard making any comments in support of the doctors have actually been the Trinidad and Tobago Medical Association. Now the medical association is not a union, but it is a body of responsible senior doctors who do look after some interests in the medical fraternity.

Now MPATT, the union, did have some issues when they tried to have an election sometime early this year, but be that as it may, there is still an executive in place and I hope that the executive would come forward and lend some support to these young budding doctors of the future because it is not right what they have to go through, it is not fair, and I hope that good sense will prevail and some compromise is arrived at on Friday so that the doctors can start their work in the public service in an environment in which they feel comfortable.

10.05 p.m.

The Minister has complained about the poor attitudes of some health workers and, my colleague, Sen. Balgobin, in a discussion was talking about the lack of respect we employers have for our workers, and as I mentioned to him, this is a perfect example of that lack of respect we have for our workers. So, no wonder if you have someone working in an environment where they feel—maybe "abuse" might be too strong a word but uncomfortable, pressured, forced, you are not going to get the best out of that employee, and more so when you are in the health

sector where you are dealing with people's lives, where the doctor is high pressured. The doctor is supposed to be working for 36 hours at a time straight, and you just have a chair to sit on, a couch to maybe stretch your legs. Some of the common rooms do not even have proper functioning toilets, you have to find that somewhere. That is really not the environment where you would expect people to perform at their best.

I know there are new hospitals being built which would have these issues. The new hospital in Tobago, a lovely institution, does not have that issue, but there are still places—Port of Spain General Hospital, even though San Fernando has a new teaching hospital, there is still a wing that is in a very dilapidated state, Sangre Grande Hospital, Point Fortin hospital. There are still many medical institutions that are in a dire state of repair and you are expecting these young doctors who are keen to work to work in this very unhealthy environment. At the very least, their terms and conditions should be something that they are comfortable with.

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

Sen. Shamfa Cudjoe: Thank you, Mr. Vice-President, thank you, colleagues, for the opportunity to make a contribution on this finance Bill 2014. Every time I come to the House and I am expected to deliver a contribution or make a presentation, I am always torn between whether or not I should respond to the comments of the Government or just let it slide, because I believe that the citizens are intelligent and educated enough to pick sense from nonsense. Today, I decided to let it slide but on second thought, I felt the need to respond.

First and foremost, to Sen. Tewarie on the issue of the unemployment rate of 3.7—no, Sen. Howai—sorry—on the unemployment rate of 3.7 per cent, and I heard the Government boasting that this is the lowest unemployment rate ever attained in this country. I want to place on the record my concerns with the shortcomings and the ineffectiveness of the CSO to provide timely and accurate information to the public, so that we can go about making decisions—we as legislators and business people and all the stakeholders could go about making decisions and planning their business with scientific information.

Now, I want to place on record also my concern that—it is this same Government that, back in 2006, I remember, on the political hustings, Prime Minister, then Member for Siparia, Kamla Persad-Bissessar, would have spoken out against CEPEP and URP and all these social programmes and makeshift programmes, and she made the comment that they do not contribute to the employment rate in this country. So, I find it rather strange that today, all of a

sudden, this Government finds it appropriate to include these programmes and these participants when you are justifying, or when you are analyzing, or when you are quoting employment and unemployment figures. What is bad for the PNM has to be bad for you too, so I wanted to place my concern on the record as it relates to that. [*Desk thumping*]

Now, we need to do all within our power to equip the CSO and everybody that is responsible for gathering information, analyzing information and presenting these statistics and reports to the general public with the necessary resources to do their work so we would not have to be depending on Mr. Jwala Rambachan, or Rambarran?—at the Central Bank. I did not christen him. We know who I am alluding to.

Mr. Vice-President, I find it very important, I am called upon tonight to respond to Sen. Lalla. When Sen. Lalla was making his contribution, I was in the little study room in the corner, and I became very concerned when he started naming people, because this People's Partnership Government has a terrible practice, a terrible habit, of coming to the House and castigating people and tarnishing people's reputation with wrong information. They like holding up papers and saying, "Yes, we have the information here". When you do check the records, they are blank papers and I became very concerned when he started naming people and listing their addresses and so on.

Mr. Vice-President, I received a text message from Mr. Mustapha Abdul-Hamid, the previous People's National Movement Member of Parliament, who Sen. Lalla claims is a caterer in the programme. One person doing all the cooking—I am advised—or responsible for the cooking and now they want to spread it around to everyone, even people who are not even involved in the programme. We cannot take for granted or cannot abuse our parliamentary privileges to come here and malign people's name and their character, and to say they are involved in the programmes that they have no relationship with.

So, Mr. Vice-President, allow me for the record to try to clear this thing up as it relates to Sen. Lalla's comment, and this text message is from former Member of Parliament, Mustapha Abdul-Hamid. The text was sent to Faris Al-Rawi. I will read it as it says:

> Faris, for the record, if you wish to correct it, I state categorically that I am not the Mustapha Abdul-Hamid who is in contract with LifeSport to provide meals. I have never had any relationship or even passing contact with LifeSport in any form. Mr. Lalla has misled the House.

So, I have read this text into the record on behalf of Mr. Mustapha Abdul-Hamid, and I want to warn us, again, against tearing down people and maligning people and tarnishing their reputation, because you spend a lifetime to build your name,

you spend a lifetime to build your reputation and one irresponsible person to tear it down. So we have to be careful of what we promote and what we encourage and what we endorse in this honourable House.

We like to call ourselves honourable people and like to be called honourable, there are some Ministers and Members of Parliament who feel offended when they are not referred to as being honourable, but honour is earned. [*Desk thumping*] Out there in the streets, wherever you go, honour is earned. You do not get honour by basically being a Member of Parliament, and if you do not behave honourably, then people cannot refer to you as honourable, so we must be aware as to how we conduct ourselves as Members of Parliament, as leaders, as role models, in this House.

So, with that said, allow me to proceed with my contribution, Mr. Vice-President. Permit me to begin by stating, first and foremost, my disappointment and strong objection with the Government's refusal to provide adequate details and explanation as it relates to these allocations. You are requesting $3.8 billion, not $380, not $3.80. You are requesting this money—public funds. This is not your personal money, this is not your piggy bank, so you have a duty, a responsibility, to properly inform the parliamentarians, the representatives, the stakeholders, and the people on the ground, the public, whose money you are going to spend, as to what you are about to do, how much money you are about to spend, what you are about to do with this money.

You are taking your budgetary allocations all the way up to $65 billion for the fiscal year of 2014, and there is already a lack of confidence as it relates to Government's spending. So, it is your duty, it is our duty—Parliament is supposed to be a place of accountability and transparency and so on. So, I must place on the record my dissatisfaction.

Now, some of the details as it relates to recurrent expenditure, I can understand some of them, but some of the details as it relates to development funding and some of the short-term contracts—short-term contracts for what? There are no details and we are being told that this is a very urgent measure and we need to pass this so that the business of the Government could be executed for the final couple months of the fiscal year. I think that this has been welcomed, not just by the Opposition—and Sen. Drayton would have mentioned it earlier also—but also by the public with a high level of scepticism, especially against the backdrop of what has been taking place in this country.

Now, Mr. Vice-President, this is four years; four years, over $240 billion later; nothing significant or satisfactory to show for it. I think citizens of this great nation deserve better, we deserve better. We deserve much more than old talk, we deserve much more than this yellow and white compilation of what was earlier described as rubbish. I think that we deserve so much better. [*Desk thumping*]

Because you see, as Sen. Baldeo-Chadeesingh would have said earlier, this Government came in on a wave of hope, so much was expected. To whom much is given, much is expected. This new administration, when they were in Opposition, they had all the answers. They had the solution to crime. They had the recipe and strategy to modernize, to transform, to diversify the economy, what former Sen. Mary King would have referred to as a one-horseshoe economy. They had the recipe and the strategies to transform that economy and they boasted of all these different plans for diversification that we were supposed to see almost instantly. Mr. Vice-President, it has been four years, over $240 billion later, deeper public debt, and what do we really have to show for it?

Now, when I examine the composition of this expenditure, the meat of it is being allocated to recurrent expenditure. I am no economist but any novice or any bush economist could tell you that recurrent expenditure is associated with consumption rather than wealth creation and capital-generating expenditure. All these allocations today depend on that same one-horseshoe economy, oil and gas. So where are we four years later after you have made all these promises?

And to see this Government has the temerity to present us with this midterm book of achievements, and when you check the details of this book, under "ACTUAL ACHIEVEMENTS", what the Government is actually telling us under most of the details, under most of the columns, is that we planned to do this and we had set out to do this specific thing in the beginning of our term, and we have not done it yet, but we are talking about it. That is not an actual agreement. So I do not know who this Government thinks that they are fooling but certainly not the Members on this side.

So, Mr. Vice-President, I think all that this Government has been doing is nothing but—I think this report confirms that this Government has been doing nothing but, as we refer to, "piping", walking around in circles making a lot of noise and in usual UNC style, making a big mess—usual UNC seagull style. [*Desk thumping*]

10.20 p.m.

Mr. Vice-President, I recognize that a number of Ministries were afforded handsome allocations for development funding but not a red cent for development funding for the Tobago House of Assembly that was severely underfunded in the

original budgetary exercise. That speaks a thousand words about your intentions, about this Government's intention to bring Tobago side by side with Trinidad. This concerns me deeply because we are aware that recurrent expenditure has no significant impact on transforming the Tobago economy and alleviating poverty or providing the necessary infrastructure in advancing human development in Tobago in any meaningful way.

Mr. Vice-President, Ministries in Trinidad could come back and request, through the Parliament, as often as they like, through supplementals and variation finance Bills, for more funding for their recurrent expenditure and for their development expenditure. The Tobago House of Assembly cannot do that. We have to wait on the central government if he feels, because there are years, 2012 and 2013, that this central government did not allocate—when they came back for supplementation and variation finance Bills—a cent in recurrent or development funding for the Tobago House of Assembly. So they do it as they feel, illegal as it may be.

Mr. Vice-President, you are limited on public funding. Then—I mean, everybody is limited on public funding, but the Tobago House of Assembly is severely underfunded and on top of that, the state bodies in Trinidad are being encouraged by the Minister of Finance and the Economy to engage in public/private partnership. We have heard these statements over and over. But, on the first-time attempt of the Tobago House of Assembly to engage in a public/private partnership, we are met with ferocious resistance from the central government, lawsuits, appeal upon appeal being made and this Government is prepared to spend money to prevent the Tobago House of Assembly from getting money for the development of Tobago. By this time I thought it was clear that we would understand that the advancement of Tobago also means the advancement of Trinidad, the advancement of Trinidad and Tobago. [*Desk thumping*]

Mr. Vice-President, if you travelled to Tobago recently, you would see the number of businesses being set up in Tobago by Trinidad businessmen. On the weekends, hosts of Trinidadians come to Tobago for vacation, and we are thankful for that because they keep our tourism industry afloat. Until we really get dedicated and committed to treating Tobago as an equal partner, Tobago would not go anywhere, Trinidad would not get to the height it is supposed to go either, so we must operate hand in hand and this kind of "badmind Trinidad-only mentality" must stop.

Mr. Vice-President, I am sure that in the modern Commonwealth, even throughout the entire region, there is no constitutional arrangement between any two islands of a country that is more unjust, that is more unfit, that is more unfair

than the current relationship that exists between Trinidad and Tobago and we must treat with that. We have been talking for over 150 years and we must treat with that.

I can assure you that many would beg to differ saying: "What do you want? You do not contribute anything to the national pie. Take your pittance and shut up." I listen to the radio stations and listen to some Trinidadians and some people who do not understand the struggle for internal self-government and for funding for development, and so on, and that is basically their comments. What are you complaining about? You do not contribute anything. Tobago is depending on Trinidad and sucking money that could be going to different communities in Trinidad and that is the most backward, ignorant level of conversation. It bothers and befuddles me.

Mr. Vice-President, I would explain something to you very, very short. Time after time, especially through the Minister of Energy and Energy Affairs, we are reminded of our worth, of all the value of the Tobago waters, as it relates to the petroleum, the gas and oil industry. We see from the land in Tobago exploration and exploitation projects for energy taking place right offshore Tobago. So to tell us that we do not contribute all that gas that we are contributing to the national pie and they tell us that we are loafing off of Trinidad, that is the most—[*Interruption*]

Sen. Young: Insulting.

Sen. S. Cudjoe: Insulting—thanks for the kind word because the words I was thinking were not too kind.

Mr. Vice-President, there also needs to be—[*Interruption*]

Sen. Hadeed: Senator, could I ask a question?

Sen. S. Cudjoe: Feel free.

Sen. Hadeed: Could you please indicate who it is made those statements that are disparaging towards Tobago.

Sen. S. Cudjoe: As I said earlier, I listen to the talk shows on the radio. People would call in and say that and it also came up, I think, in the Siparia consultation for constitutional reform. Like: why do we not just shut down the Tobago House of Assembly and just bring everybody. That is going to be not a nice day.

Anyway, Mr. President, this is the most unfair and unjust kind of arrangement because here you have Tobago, confined by five miles of marine space and everything else is Trinidad. That has to be unfair. We have initiated a process

nationally to engage ourselves in constitutional reform and talk for internal self-government for Tobago and I am hoping that this would continue to be championed by a central government that had seemed to abdicate its responsibility, as it relates to treating with this matter.

Now, this leads me to the allocation in the Senate document and in the Bill of $10,000 for constitutional reform. Mr. Vice-President, this exercise has cost us hundreds of millions of dollars. If you chart the course or if you examine the different allocations over the years for this constitutional reform exercise, every time the budget exercise is performed, there is a huge allocation and every time there is a supplementation, there is another allocation for the constitutional reform process.

We have waited with bated breaths for this process, but at the end of the day, the question that had been asked for the whole evening and I would ask it again is: are we getting value for money? Are Trinidadians getting value for their money? Are Tobagonians getting value for their money? Are we as Trinbagonians getting value for our money? I can speak from a Tobago perspective that we do not feel at this point that we are getting value for our money, because prior to the election of 2013, there was a national consensus to treat with this issue of internal self-government, and central government abdicated and abandoned this process after their golden boy did not win the January 2013 election and that is Ashworth Jack. So they tried to foist Ashworth Jack on the Tobago public and his own party does not even want him. So if your own party does not want you, what makes you feel we would want you?

Anyway, Mr. Vice-President, can you imagine that this issue of internal self-government was a priority issue in the manifesto of the People's Partnership? They came to Tobago and they talked about this thing and promoted it throughout the entire island. So, as soon as I received this book today, I first went through page by page with a fine-tooth comb and I was looking for internal self-government. I wanted to see the achievement. Mr. Vice-President, page 81:

> Internal self-government, achievement, actual achievement.
>
> First achievement. I am trying to get the build-up.
>
> "The"—Tobago House of Assembly—"has been engaged by the Constitutional Reform Commission and pledged their commitment to the exercise of constitutional reform."

That is the actual agreement. That means we pledged to commit that they have been engaged by the Constitutional Reform Commission.

First things first, the whole issue of internal self-government was supposed to be dealt and is supposed to be dealt separately and specifically, because this process started off as a special kind of initiative. So, after the election, for central government to come and try to subsume it under this whole rubric of national constitutional reform and give it a kind of passing-by kind of acknowledgement, we strongly object. We objected then, we object now, and we would object in the future, until this issue is given the kind of acknowledgement and the kind of attention that it deserves. [*Desk thumping*]

Second accomplishment, actual accomplishment, build-up.

> The Tobago House of Assembly—"has also been engaged on policy issues such as the National Spatial Strategy and Facilitation of Land Development Bill and on collaborative national projects in Tobago."

That is the actual agreement. Mr. Vice-President, "ah see yuh waiting fuh more. Is no more". There is no more!

Sen. Robinson-Regis: Yes, there is, for the Tobago prison.

Sen. S. Cudjoe: For internal—no that is the actual achievement, internal self-government.

I remember being at former President Robinson who would have fought ardently and diligently for this internal self-government process and I remember the Prime Minister getting on the stage and saying: "this is my political mentor and I intend to, you know, do as he says" and all these wonderful things. The least you could do, rather than spend $12 million or $8 million on a funeral, is just see through this internal self-government process that he would have started. That is your political mentor. [*Desk thumping*]

Sen. Al-Rawi: Before the election.

Sen. S. Cudjoe: No, this is the funeral this year, but that was before the election when they went to former President Robinson's house and say he gave Ashworth advice "and he tell him um-hmm. Dat time de man sick, Mr. Vice-President, de man cyah even talk." But anyway, Mr. Vice-President, I would proceed.

So, at the end of the day, when you examine all that is taking place as it relates to this issue, does it sound like a Government that is serious about internal self-government for Tobago? Does it sound like a Government that is serious about constitutional reform? For me, I have summed this thing up to be lip service, lollygagging and "lacuray". That is all this Government has been concerned with.

Sen. Al-Rawi: Let me hear that again.

Sen. S. Cudjoe: Lip service, lollygagging and "lacuray".

Mr. Vice-President, let us take for instance the Ministry of Tobago Development. Now, this Ministry was mandated to assist in the delivery of central government services in Tobago, that is items under the sixth and seventh schedules that are not under the control of the Tobago House of Assembly. So, these are issues that do not fall under the Fifth Schedule, like community development, sporting, youth development and all these other areas that the Tobago House of Assembly is clearly responsible for. The Fifth Schedule says the Tobago House of Assembly is responsible for these 15 items, not in collaboration with, not any of that; responsible for them.

Now, Mr. Vice-President, this means that this Minister would be responsible for assisting in the facilitation of items like the Public Service Commission, public service relations, a Tobago-specific—liaising with the Minister of National Security to ensure that there is a Tobago-specific national security and crime plan, to ensure that there is a youth prison in Tobago, so that our young people who find themselves in trouble and have to go to spend prison time, they do not have to go down to Trinidad to associate with more seasoned criminals and come back "more bad" than they left.

Mr. Vice-President, in treating with and ensuring that there are judicial buildings, so that the Judiciary could function effectively. For years they have been turning sod for a judicial complex in Tobago. I want "tuh know if dey ain dizzy yet".

10.35 p.m.

Mr. President, Old Grange and Roxborough Police Stations, since the days of Minister Sandy, they would have taken back the contracts from the original contractors and promised that they would build these police stations. Today, nothing. These are the kinds of things that the Minister of Tobago Development has to get involved in. These are things under the sixth and seventh schedules.

He is supposed to assist in technical cooperation and ensuring that Tobago gets access to international opportunities and funding that was negotiated by central government, for instance, the recent loan from China to set up nine new business parks in Trinidad. He is supposed to ensure that the Tobago House of Assembly gets some of that to develop Cove.

For instance, the recent online-knowledge-network initiative where Coursera is helping the Ministry of Tertiary Education and Skills Training to get opportunities for Trinidad to do more online courses, so that you can stay at home and—what is the project called?—earn while you learn. I did not hear the Minister involved in that trying to get Tobago in on that.

No cafeteria in the Tobago Police Station. Officers cannot sit down and have a meal. The Minister would not even sit down and examine a Bill that comes to the Cabinet as a member of Cabinet and see how it affects the Tobago House of Assembly, before it comes to the House, go all the way through the Lower House and then have to meet me here in the Upper House.

There is really some concern as to what really is this function of the Minister and the Ministry or is it a political unit of this People's Partnership? These are the things that the Minister is supposed to arrange. In an ideal case, this would be what he does. However, the Ministry has found ways to operate and effect policies that encroach on the territory of the Tobago House of Assembly, boldfacedly disrespecting the will of the Tobago people and undermining the authority of the Tobago House of Assembly. And he is quick to inform you: I am not trying to cause any confusion here. I am simply executing the mandate of the Cabinet and following the instructions of our fair lady, the Prime Minister.

Mr. Vice-President, so the Minister has gone ahead, based on the instruction of Cabinet and the Prime Minister, and set up a parallel Tobago House of Assembly under the Ministry. So areas and programmes and projects that the House of Assembly is responsible for, they are now also being duplicated in the Ministry of Tobago Development. And would you believe, something that is even more vulgar and cynical than a breach of the blatant law, all these departments and programmes, they happen to have a cheque distribution function. So every Monday morning, the Minister is giving out cheques like Allen Stanford at a T-20 cricket match somewhere in Antigua; just giving out funding.

I would turn to some of the reports. I will give you some examples. He recently funded a football clinic in Tobago, $75,000—football, sports. That is under the Fifth Schedule for the Tobago House of Assembly. This is what the Minister and the Ministry is doing in Tobago. Now, he is meeting with the church leaders and hosting cheque distribution ceremonies, so cheques are being distributed to religious leaders. Then he held a beauty pageant called "Shine bright like a diamond"—cheque distribution again, Mr. Vice-President.

Then there is Project Hope where he is giving CXC classes. Now, in the previous example, I told you the Tobago House of Assembly is responsible for community development and now this Project Hope, which seems to be an education programme, is giving maths, English, social studies, POB and accounts classes. I hope these teachers are not being paid $34 million like the life skills teacher, but education is under the responsibility of the Tobago House of Assembly.

Self-help cheques: I remember the Tobago House of Assembly refurbishment programme for people to do work on their house. It was allocated somewhere in the vicinity of $200,000 in the budgetary allocation. This Minister, in January, distributed 40, $40,000 cheques and then he promised them some more in March and distributed more in March.

The Tobago House of Assembly is responsible for housing and settlements in Tobago. Mr. President, this is a blatant breach of the law and he claims that he is doing this based on the mandate of the Cabinet and the instructions of the Prime Minister.

I remember the first time this piqued my interest was in 2011 and my good friend Subhas Panday would have been the Leader for Government Business at that time and he said, "Ah coming up in Tobago; ah go be in yuh area;" and then I heard about this Community Development Fund, the project cost $1.1 million in Bethel. And I heard about some kind of exorbitant stipends that they were giving people who came in the afternoon to learn plumbing and so on—$6,000. I said that cannot be sustainable because if the OJTs are getting $3,000 and so on, how could people, at the end of the day, afternoon classes pretty much, be given cheques of $6,000 and I said that is not sustainable; that cannot work.

Now the programme was going on since September; by Christmas, when the Cabinet was coming to Tobago, the Prime Minister came to Tobago for their little Christmas—what do you call it? They gave out these baskets of stuff, these hampers—hamper distribution. People who participated in the project would have already been disgruntled, from teachers to participants. They had not been paid and they had been begged, "Please do not say anything to the Prime Minister". So, when all these new social projects are being brought to the fore and we are asked to issue funding or approve funding, it raises serious concerns for me.

Now, as it relates to constitutional reform, on one side of the Government's mouth it is saying that it is giving Tobago more autonomy, but on the other side, they use, they maximize every opportunity to usurp the little bit of autonomy and

authority that we have right now. So if you are not willing to respect the little we have right now, what do you think would make us believe that you are trying to give us more? Lip service, lollygagging and "lacuray", Mr. Vice-President.

I recognize that, in this document, $4 million is being allocated for contract employment and short-term employment in the Ministry of Tobago Development. Now, you would have remembered in the *Tobago News* and in the *Express*, that there were some serious concerns because the Minister would have issued an advertisement calling people, no matter what qualification, qualifications or not, to come down and be interviewed for jobs in the Ministry of Tobago Development.

Contracted workers, they are complaining that they are seeing their jobs advertised in the papers. People are being hired to come to work and sit and watch them do their work. So we have some really unsustainable and questionable hiring practices going on in the Ministry of Tobago Development and we are being asked today to approve $4 million to go towards that project. Mr. Vice-President, I strongly object.

When I was a little girl, my mother would remind me that the money you did not make is easy for you to spend. They have contributed nothing to earning this revenue but all they know to do is to spend it and we are not in support of that.

I have recognized a practice of this Government that whenever ineffectiveness or inadequacy is identified in a programme, the cure-all for them is to just pump it with money; more money, more money, rather than examining the situation and finding the proper solutions.

Our problem is not money. This is my belief. Our problem in this country is not money. Our problem has nothing to do with money and everything to do with lawlessness, recklessness, "wutlessness" and a total breakdown of values, of morals and a sense of decency.

Our systems and our structures that were intended to safeguard our democracy, like the service commissions and the independent bodies, they are all being emasculated and eroded. They are being ineffectively managed and they are being eroded because Government, a power hungry and heavy-handed Government, is encroaching on their territory because this Government feels the need to be involved in and to influence everything. Even the police service does not have the freedom to do its work without somebody breathing down its neck.

We always know what the problems are; we know how to fix them; we know who are the bad guys, but there is a lack of political will and the moral fortitude to fix things, to make the right move and to do anything in decency. The cure-for-all remains, pump it with money. There is a rap song by Biggie Small and Faith Evans—I think it was produced by Sean "Puffy" Combs—that says:

"Mo Money Mo Problems

I don't know what,

They want from me,"—but—"the more money we come across,

The more problems we see"

And that has been the story of this Government: more money, more problems. You think more funding will help to solve some of the issues, Mr. Vice-President? But every fore day morning is a different bacchanal, a different "lacuray".

I was hoping today, Mr. Vice-President, to see Sen. Abp. Burke in the House because I wanted to make a personal request that she take all of them down to a beach somewhere and give them a bush bath. Let them bathe with a blue soap and throw it behind their back and do not look back when they come out and when they come out beat them with a "flex" broom. If you need help, I want to do the beating part with the "flex" broom, so I was really hoping to see her here today. [*Laughter*]

Mr. Vice-President, there has been a proliferation of social programmes under this Government. Under the PNM, there was a proliferation of social programmes also. [*Interruption*] Mr. Vice-President, protect me from Sen. Maharaj. He has a way of harassing me when I am making my contribution. Protect me from Sen. Maharaj, I would not like to have to protect myself.

There has been a proliferation of social programmes, both under the PNM—and we were condemned for it. And there has been an even bigger proliferation of social programmes, some of them we have not heard about, you know. When I read some of these booklets and so on, like, I have never seen this published anywhere. Where did this programme—all kinds of different names—we have gone from—and most of these social programmes do not have a happy ending. We have gone from the Hoop for Life that turned out to be a huge rental programme—rent a shack; then we had Colour Me Orange that lasted for three months, that spent $300 million. Hands up, hand out, hands down, that was it. And now you have the LifeSport Programme.

I am befuddled, confused by the brass-facedness and the shamelessness of this Government against the backdrop of the allegations of killings, corruption and illegal activities surrounding this LifeSport Programme that they have the temerity to come here and ask us for $24 million and they want us to support that.

I heard Sen. Lalla speak about how many lives they saved and how many people excelled under this programme. You are saving lives and you have public servants running for their lives until the Member for Chaguanas West becomes a victim and witness protection programme all by himself.

Public servants have to watch their backs and run for their lives as a result of this programme, yet they tell us how many people are benefiting, but the real question is, who are the real beneficiaries of these programmes? The participant that is making probably a measly $1,500 a month or the math teacher who is being paid $34 million? Who are the real beneficiaries of this programme and we have to wonder, are we getting value for money?

10.50 p.m.

Mr. Vice-President, when I first started in this Parliament, I remember Sen. Hinds saying: "Be careful of them, corruption is in their DNA", and I was like, "gosh, that is so harsh" but, Mr. Vice-President, I have been here long enough to observe certain things. Everything that they put their hands and their hearts and their resources to, there is a sting in the tail. So, you are being told that this social programme is supposed to transform the lives of people, but it makes you wonder, whose lives are really being transformed, Mr. Vice-President? I have some serious concerns.

When you examine the different projects that they would have created with their innovative self: the laptop programme, that was the very first one. They told us each laptop is going to cost $12,000 because it has this sophisticated software to prevent the children from going on Facebook and YouTube and porn. Mr. Vice-President, four years later, we are still waiting on that software; we are still waiting on a proper curriculum for these students where each laptop would have cost $12,000, but they received a laptop valued $4,000. Everything has a sting in the tail, Mr. Vice-President.

Hoop of Life turned into a "rent ah shack". A simple fire truck to be moved, Mr. Vice-President, a whole big scandal, and the millions of dollars to move a fire truck—$6.8 million. And the beverage container—who could forget the Beverage Container Bill, Mr. Vice-President? We were sitting here examining and about to pass a Beverage Container Bill for water bottles to be recycled, and it sounded so

good and we were about to vote. If it was not for the vigilant and the "macociousness" of Sen. Balgobin, we would not know it was for some financier, and you have to thank Sen. Balgobin for that. [*Crosstalk*] So the Bill died and that was the end of it. "Dey never come back, dey shame!" And the list goes on. There is always a sting; always a sting. "Be careful ah dem." I could remember Sen. Hinds saying, "Be careful ah dem, yuh know, watch dem you know." And it is true, Mr. Vice-President.

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

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

Question put and agreed to.

Sen. S. Cudjoe: Thank you very much, Sen. Maharaj. Sen. Maharaj has me blushing, Mr. Vice-President. Thank you very much.

Now, Mr. Vice-President, what I want to say is these social programmes, there is always some kind of financial kickback or some political benefit that has to happen at the detriment of the disadvantaged and the disenfranchised. They are dangerous and they cannot be trusted, and they expect we, on this side, to say yes to that allocation to the LifeSport Programme—"And dey would hold de money and safeguard de money until the audit is done." We have been here long enough and experienced enough unfortunate situations with this Government to know to trust you like that.

Sen. Apb. Burke: "Well say something good nah man."

Sen. S. Cudjoe: I said something good, but you were sleeping. [*Laughter and desk thumping*] So, we will be waiting on the audit. How many audits and reports have we been waiting on? Every time before the Prime Minister or anybody has to make a decision, "We are waiting on the report", and hope that the nine-day memory would serve them right and the situation would die. So we will trust them today to do an audit, and we will be waiting and then you hear somebody do some report and the $24 million could now go to—not this People's National Movement Bench. We have learnt our lesson and we would not be supporting that. They would twist their socks. "You see dem sit down easy dey, dey twist sock, change colour sock in their shoes and you do not know." I do not trust them. And the thing is that there are no hard feelings. After they do what they do, there are no hard feelings, no remorse. Mendacity and malfeasance have become endemic under this PP regime, and they are at a point of no return. They are a danger to our Treasury and our fragile economy.

Mr. Vice-President, allow me to turn my attention to a new development that is trending right now, as we speak, that I believe merits some comment, and that is the sick-out of Caribbean Airlines pilots and staff. Today and tomorrow, I have been advised that they would not be flying, and there is a serious go-slow or a serious halt in the services provided by Caribbean Airlines at the airport. I know people like Sen. Wheeler would have experienced serious difficulties in getting here today. I am lucky to have flown in yesterday, but this poses serious challenges for the business community in Tobago; for the travelling public; on the day-to-day operations of Tobago and, most importantly, our tourism product.

What compounds the situation is the problem of not having the ferry service up and running. We are still waiting on the *SuperFast Galicia*. There is work to be done on the Trinidad port. Thank God the Tobago port can withstand it, and we are happy for that. We hope Trinidad does its work and gets this ferry up and running so that we can function in a better way and our tourism service would not have to suffer.

Mr. Vice-President, we have been waiting. We have been promised this service since Easter and we are waiting. I hope that the Minister could make some comment on that Caribbean Airlines situation, because I recognize it is every year around this June/July time, if we are not dealing with a problem of airplanes that are malfunctional, we are dealing with some kind of go-slow and this is our high time; this is our high period where people are travelling and visiting Tobago. Flights have been booked all the way up to the end of August. It is very difficult to get a flight to and from Tobago now. You have to go on standby and wait to be accepted to the list. [*Crosstalk*]

I have some words for the SRC but, Mr. Vice-President, I would not use my time. [*Crosstalk and laughter*] I just hope for one day—I would like for somebody to provide the opportunity where a couple of us parliamentarians could get in a room with the SRC, with no cameras, Mr. Vice-President, just to talk to them; just to talk. I hope for that opportunity. If you want to, you could blindfold them. I would not throw any cuffs. There are people who are that disturbed. That was my little joke. So, let me tell the media and everybody who are out there ready to chastise people.

Mr. Vice-President, my concern, especially as I raised that matter, is since the days of people like Dr. Eastlyn McKenzie and some of the more experienced, senior and long-serving parliamentarians, Tobagonian parliamentarians have been trying to get the SRC—we have made several presentations to the SRC and we are basically saying, it makes more sense—like they do in the UK and other

Commonwealth Parliaments—to provide the Tobago MP, whether in Government or in Opposition, with some kind of stipend to pay a rent for an apartment or something in Trinidad rather than the travelling back and forth, and we would not have to deal with this airline problem. It is cheaper than a hotel and more comfortable than a hotel. You have to pack this suitcase every time going back and forth from Tobago; we are changed from different rooms. It would be nice to have your own little space. It is easier for you to attend different functions and different lectures and so on.

I would give you an example of the Dana Seetahal law symposium. I really wanted to attend that, but because it is not considered an official Parliament activity, the Parliament would not facilitate me attending any of these consultations. I wish that every parliamentarian could have benefited from discussions like this because it was very beneficial. It is a real strain for the Tobago parliamentarians to be travelling back and forth every week, and it does not make sense. It is not even cost-effective. Who pays $60 for a cup of tea at the Hyatt? Who pays $70 for a boiled egg? I could make that myself. [*Interruption*] I can and I could make "curry shrimp and curry thing too", but you are married. I am just playing with Sen. Maharaj.

So, Mr. Vice-President, I just really hope that the SRC would listen to some of these concerns. If we could all get a chance to talk with the SRC or send a representative, if they would not just listen and say that they would have reported it in their report but, really, we are looking for action from the SRC. [*Desk thumping*]

So, Mr. Vice-President, with those few words, after 13 hours of debate, for a measly stipend, I thank you. [*Desk thumping*]

Sen. David Small: Thank you very much, Mr. Vice-President for the opportunity to contribute in this debate. [*Desk thumping*] I want to thank my colleague, Sen. Cudjoe, for livelying up the session. As we all know, look at the time, we are deep into the 13 hour, so this is a fun time for us.

Mr. Vice-President, I want to touch on a couple of issues. I would not necessarily be detaining you for a whole hour, I hope not. One of the things I want to start off with, Mr. Vice-President, is that unfortunately for me, I am a person when I look at things, I need data. I understand that the format of this document that has come before us is probably a standard format, but with the lack of details it is difficult to make conclusive decisions or opinions on several of the matters in there simply because the supporting data is not in there. I say that because if

Senators who are presenting things for us to even just debate—because this is a money Bill, there is no decision required—I would humbly and respectfully suggest some additional information to help us understand what is it in there or perhaps other clarification would be useful, and I am only making some requests for some addition information.

Mr. Vice-President, I want to deal with a few things. The first thing I want to deal with is that the hon. Minister of Finance and the Economy touched on several things in his presentation, and I concurred with several of them, but one thing he has left unsaid is, Trinidad and Tobago is a price taker. We have an economy dominated by the fact that we have oil and gas exports in various forms, and the past four years or the past five years have seen an unprecedented level of prices in the world market, and that has worked in our favour as it has helped sustain overall government revenue. That is not necessarily our fault or our gain, it is just what it is, but the fact is Trinidad and Tobago takes the price as given on the market, and if those prices ever change, then if we continue the current spending patterns, we are setting ourselves up for possibly a major challenge in the future.

So that I take the point mentioned by my hon. colleague, great economist, Sen. Mahabir that the spending patterns, there needs to be a look at the way in which we have been spending money. I understand that several of the major initiatives are under, where major infrastructure projects, major social projects, but the spending pattern may be unsustainable, especially if tomorrow somebody decides to do something. Probably because I have been around the system a little while. I remember when oil was $9. Very few people remember that. I have been probably in this business too long.

I remember there was a Caricom Heads of Government Meeting held at Hilton several years ago, and every single member lobbied the then Government and said, "Listen, we are facing a crisis in our economies; we are asking Trinidad and Tobago to help because we cannot sustain our economies at these high oil prices." The oil price that they were talking about, at that time, was $30 a barrel.

So that we work in a system where a lot of the history is lost and we do not understand where we are. We are in a situation where there has been sustained high prices for some time and as with any market, the oil and gas business is a cyclical business, and there may be at some point in time, it may be due for a correction. How deep that correction is, no one can predict, but I would like the Minister of Finance and the Economy to at least, within his plans, have some measure of understanding that this is where we are.

We earn over 80 or even 90 per cent of our foreign exchange from oil and gas exports in their various forms, and we are very exposed to that market, and that is not something we should gloss over. As much as we have all sorts of initiatives to try to diversify the economy, we live and die by oil and gas, at this point in time, and for the medium term. There is no escape from it, and let us not put any sugar on it—try to say anything else other than that.

11.05 p.m.

Mr. Vice-President, I want to talk about the issue around the—several issues I want to talk about. The first one I want to talk about is the employment statistics. Trinidad and Tobago is an unusual beast, in that while we gain so much of foreign exchange from oil and gas revenues, oil and gas employment contributes 3 to 4 per cent of the total employment in the country. There have been arguments going across the floor about the unemployment statistics. Again, I would argue that without the data, if you show me this is the entire employment pool in the country and then these are the various elements that make up that pool, then I can understand the unemployment statistics.

Without disaggregating that data, the numbers I am hearing, I have nothing to work with. I mean, I can get data. I know where to go, but I do not want to put people in trouble. I would prefer that if we are talking about numbers and we are saying this is an achievement, provide the supporting data for analysis. I would like to be able to look at the numbers and have disaggregated numbers that I can interrogate. I say that because when I looked at the submission that came, the closest document that it reminded me of was the SRC report, and I will deal with them in good time in about a week. I looked at the SRC document for reference and it is just a similar document, a set of headlines and then some conclusions, but the supporting data to show how you arrived at those conclusions is not there.

So that, for me, the veracity of the document can be questioned. I am not saying that it is wrong, but without the data it does not mean anything to me because it cannot be supported and it cannot stand any rigorous analysis at all, in any way, shape or form. Perhaps I have been too deep in numbers for too long in too many other things and that is how my brain works. Without the data, I have a challenge, and I am asking a question.

Mr. Vice-President, I made an appeal to the Minister of Finance and the Economy earlier this evening that something needs to be done about the commercial banking sector in Trinidad and Tobago. I believe that a point raised by Sen. Mahabir, again, about trying to see ways in which the Government could

reinstitute having the government bonds available to all those who are interested—is something that the Government has to consider. Commercial banking is very, very fortunate in the country. Every time I look at the reports, the quarterly reports of the commercial banks, they are all reporting record profits.

The credit card rate in this country is 29.99 per cent. Why? That is just unreal. The level of risk for commercial banks in the country is extremely low, extremely low. By my count, when I looked at the last Central Bank report, the April report, there is $75 billion sitting in the deposit system. You put your money in the bank, you get a percentage of 1 per cent, a fraction of 1 per cent. You go for a loan, it is eight, nine and above. The spread is too big. It is just untenable. The problem with that is that when you have all of this unutilized capital, you are not making loans available to people, you effectively are devaluing the savings base of the country, because the inflation rate, even though it has come down, it is impacting upon that accumulated level of savings. So you have a huge amount of savings sitting there, earning nothing, and then the inflation rate is just eating it away, eating it away, eating it away.

It is better to get that capital employed, and there must be a way to treat with this. I am not a financial expert. I leave that for my learned colleague, Dr. Mahabir, but I am looking at the numbers and something is wrong with that. That has been like that for several years now and, yet, the commercial banks you go and say, "Listen, I would like a loan to purchase this", and it is unreal—the hoops you have to jump over. I am not saying you make it 2 per cent, but there needs to be some reality in the market. It is wrong. Something is wrong with that 29.99 per cent rate for a credit card. I mean, the risk profile at the banks is such that they could sustain, but it requires regulations.

I believe that suasion—the Bankers Association, I think, is not necessarily too consumer focused. It is very business focused and that is their right. They are in commercial ventures, they are investing their money, they can decide to set the rates, but I think that in the interest of the economy where we have so much money sitting unused and actually being devalued, and it is not being properly employed, some measures have to be put in place to activate and get that money working for us.

I wanted to talk quickly about—and I am happy the Minister of Energy and Energy Affairs is here—about the oil and gas sector one more time, to deal with something that Sen. Cudjoe raised. I want to say that in my short experience in that institution, the Ministry of Energy and Energy Affairs, when it looked at anything to do with oil and gas, it looked for Trinidad and Tobago. There is

nothing that comes out of the Ministry of Energy and Energy Affairs that says, "This is for Trinidad". It is Trinidad and Tobago. That has been my understanding. The professionals there are outstanding professionals. They are laser focused and trying to make sure that whatever development comes from—what happens with the cash is not the Ministry of Energy and Energy Affairs' responsibility. The Ministry's responsibility is to generate the activity in the sector that generates the cash. [*Interruption*]

Sen. Cudjoe: I did not say anything different.

Sen. D. Small: Sen. Cudjoe, I am reinforcing what you have said, if that is the case.

Sen. Cudjoe: Thanks.

Sen. D. Small: Because I want that to come across very clearly, that the Ministry of Energy and Energy Affairs, the people I know or I have known, are robust professionals and they are laser focused, and trying to make sure that they employ the oil and gas assets of the country, so that the benefits will redound to the citizens of Trinidad and Tobago in the most optimum way possible. So that wherever, on the talk shows, where people are saying all sorts of things, we cannot help that, it is a democracy. People have the opportunity to express their views, and so be it. I also have the opportunity to express a view, and I am expressing a view that that is not my understanding.

I want to deal quickly with one other issue. This was raised by Sen. Lalla in his contribution. I really want to commend the Minister of Tertiary Education and Skills Training for presiding over a really impressive range [*Desk thumping*] of offerings to the young people. Every day we are numb. Every day you look at the newspapers and you see the things that are happening in the country, and then it is people in their teens and their twenties, and you are struggling: "Why are they getting involved? Is there not a way in which we could get them involved in something that is productive, something that really adds value to the society?" I think that the range of programmes that we have seen offered by the Ministry of Tertiary Education and Skills Training is a step in the right direction. I think I am critically happy about the drilling school. The Minister of Energy and Energy Affairs is nodding. The drilling school is something—[*Interruption*]

Sen. Ramnarine: I was at the launch.

Sen. D. Small: Yeah, the Minister was at the launch.

People do not understand that, as a driller, you can earn probably up to US $1,000 a day, once you graduate and you start to work. That is a highly prized skill. The Minister related to me he was in Moscow and he ran into somebody

from Trinidad. Trinidadians work all over the place, all over the world, and we have the ability here to really market that particular skill-building facilities to others, as has already happened with the Nigerian group of people who are here training at the NESC.

I think that is extremely commendable. I wish the Minister would be able to expand it further. I think that, for me, it is still a bit under the radar. We talk about it here and the Ministry has started. I got an envelope today with a lovely pull-out, and I think it is moving in the right direction. There is another element that needs to come out. It is about public education about the oil and gas business, and I have pledged to work with and collaborate with the Minister of Energy and Energy Affairs about trying to make sure people understand the business.

Sen. G. Singh: Too much mystique around.

Sen. D. Small: Yeah. I want to debunk all of the myths and things about the industry and put it out there in plain simple language so that everybody understands the basics of the business, understand what is oil, what is gas, what is ammonia, what is methanol, how do you get there, what is LNG, what is our role in the business, and how does Trinidad and Tobago fit into the global picture. Those are the things that people need to understand as a basic skill set. [*Interruption*] [*Laughter*] Lots of water.

So those are things that I want to comment on. I want to touch on a couple of the crises that are going on now. The cry of the civil servants for proper accommodation is not a new phenomenon. We may agree or disagree about the action being taken, but I can share a personal experience of working in a building and literally dodging gunshots every day to go to work. That building was Riverside Plaza. For several years, every morning, drop off on the bus route by Abattoir Road and had to walk through the "plannings" to get to the building and you are not sure if you are going to get there.

On a daily basis, this is not in the newspaper, the staff of the building every day had to run the gauntlet, every single day. I mean, these are things that have gone on for years and have not necessarily been treated with. Minister George would well be aware.

Sen. George: There was a bullet in my glass.

Sen. D. Small: Yeah. A bullet in his window, yeah, in Riverside Plaza. Public servants have been under siege for years.

Sen. Hadeed: Not only four years ago.

Sen. D. Small: No. No. No. I am saying "for years". [*Laughter*] Let me be clear. I am way back in the 1990s here.

So this is not a new phenomenon and I am not saying that the solution is around the corner, but what I am saying is we need to recognize that some of the things that are happening now are things that have built up over time and they are manifesting themselves in major difficulties. And, of course, the public will never understand that because the public does not have to deal with what the civil servants have had to deal with over years, upon years, upon years.

So I am not necessarily making any plea for mitigation for the action being taken, but it is important to understand the whole context and be provided with as much information as possible, because it is very easy to take the view that this is just affecting people and why this is happening. There is a reason why this is happening, and I am not saying the fix is not easy either.

So that let us see how we could work together and try to get around the table and let us try to be reasonable people, because I believe the civil service workers are reasonable people and let us see how we could fix this.

Mr. President—Mr. Vice-President, forgive me, I am promoting you. I humbly apologize. I am concerned about the lack of information. I am hearing about moving Clico forward. I have had a very unpleasant experience, personally, with Clico, being just what I consider a regular annuity holder. And when you look at the proposal sheet that was given to me 21 years ago when it started, and what they tell me I am due now, it has been devalued by 60 per cent. I am paying the same contribution and I am like—so I understand there are challenges.

There are going to be changes but the plan going forward is of concern to me and many others, and the lack of information is making us nervous. It is making people nervous about what the plan is, and without proper information from the powers that be, people are speculating, and that is not good. All I would like to say is that, as with everything, more information is better than less and, certainly, more information from an authoritative source, like the hon. Minister of Finance and the Economy, would go a long way to helping people to understand what the plan is. I am a very logical thinker and I like to understand what the plan is. In the absence of a plan, I struggle to understand how to operate, and I am sure I am not alone in that.

I also want to commend the Minister because the issue that he raised around the increases in NIS contribution rates, I think that is long overdue. It took probably some gumption to get it done, but I applaud the Minister for that because

I think that the NIS is an extremely strong institution. But it would have been struggling to meet the continuing obligations that are growing year upon year at the standard rate. So I think the move to have the rates increased over the next few years is a move in the right direction, and it is also something that, when we talk about pensions in general, we need to understand that perhaps, perhaps the age of free pensions, the clock needs to start ticking on that—perhaps. It is not my call, but it is something that we have to understand what obtains in the market, what are the realities. The actuarial people would be able to tell you, but I believe that there needs to be some beginnings of planting the seeds that perhaps pension plans need to start to have some level of contribution because it may not necessarily be sustainable going forward.

11.20 p.m.

Mr. Vice-President, I have a couple of other things I want to talk about, and it has to do with a point raised by hon. Sen. Dr. Mahabir. I agree with the Senator 1,000 per cent. The FCB IPO investigation has to have a conclusion that ends in some prosecutions. I believe that the people like me who went and struggled and filled out forms and struggled to try to get an allocation, and then I am hearing all these wonderful things happening—people with lovely deals happening. Something went wrong there and I cannot see anyone telling me that that was all right and perfect.

I am probably a little boy from Laventille. For the record, I grew up in Rose Hill, just around the bridge, so I am just a regular guy, but I went to high school, Tranquility Government. I did not go to any privileged school, I am just a regular guy. But grant me some intelligence about that process, and my understanding of how I struggled to get the few little shares that I got, and then guys who were in privileged positions got way more. So I understand that these investigations take time, but I believe it is in the public interest to have the results of those investigations be brought at the same time as they are filing charges or whenever. Something needs to happen out of it, because I think that if it does not happen in that way, a great disservice will be done to the investing public in Trinidad and Tobago.

I think that is something that the Minister and the Attorney General need to seriously consider at the point in time that the investigation is complete. I think the SEC investigation is dragging, it is going, but I take the point that this could be a complex matter, it may take some time, so I am willing to hold my hand to allow that process to go. All I am saying, when that process is ready to go, as much information as could be shared should be shared, as long as it is not going to compromise any prosecutions that come out of it.

Again, in that same vein, I am looking forward to the restructured or the revamped IPO regarding Phoenix Park Gas Processors. I am anxiously awaiting to see how that is going to be structured because that is something I would like to look at very early. For those who are interested, I believe from my own understanding of the business—I was on the board of that company for a couple of years—it is a robust business, and I believe it is a business that now that the State is a significant shareholder or by far the majority shareholder, it is something that we should all encourage parties to invest it. But we want to make sure that—I understand why it is taking some time, because the Minister of Finance and the Economy and his team want to make sure that they get this one right, and there are no loopholes for all these wonderful, apparently back door, deals.

I just want to knock on a couple of things. I know the Minister of Finance and the Economy is probably deep into the budgeting process because we are coming to the end of the fiscal year. It is three years where the call circular would have come out and all of these wonderful activities would have been taking place.

I looked at the adjustments, and we need two things in this country fixed urgently, and I am not sure how to do it, but we need to really look at it. The criminal justice system needs reforms. I recall when my colleague, Sen. Vieira, invited me to the same seminar mentioned, but because of my wonderful responsibilities on a Saturday morning with children, and lessons and swimming and all the other wonderful things, I just did not have the time. This is why I want to argue again with the wonderful body that looks at Independent Senators and suggests that this job is part time.

I mean, this is coming into 14 hours I am here. I spend an average of 12 hours a day on the weekend preparing for these meetings. They have no clue, no understanding. No one sat with me to understand what my day is like to prepare to be here. So anybody who wants to tell me that this is part time, I challenge them, and I suggest to them they are wrong. [*Desk thumping*] I spend 60 to 80 hours a week preparing to be here, not including the time I am here. And we are going to be here tomorrow I understand, another fun day, but it is part of my responsibility to be here and I plan to be here, God's willing.

Mr. Vice-President, I also want to touch on the long, much talked about: What are the Government's plans for the process of the appointment of a police commissioner. We have an out-of-control crime situation in the country. As someone told me, "David, be very careful how you talk about that, because by the end of the day when you drive out of here, you drive out of here alone. So be careful how you talk about that", but that is the reality.

Someone mentioned earlier in the debate that people say like, "Okay, well, all the best", because everybody is concerned now about—not sure if they are going to see you tomorrow. "Be safe", that is the reality of life in Trinidad and Tobago now. I live on a street and I have been trying to get street lights replaced on the street for two months now because it is pitch black, when I turn in at 2.00/3.00 in the morning; it is me alone, but that is what it is. People have to understand that these are the things that run through your mind.

I am driving home alone and I am constantly looking in the rear-view mirror because I am making sure no-one is tailing my vehicle or no strange vehicle is parked on my street. This is the reality of life, and it seems that crime is getting further and further out of control. I am not necessarily a proponent of crime plans, but I need to understand, or the country needs to understand, the actions that are being taken. I understand the words of the hon. Minister of National Security, he is not with us right now, but people need to see tangible action. The rhetoric is good, it is lovely, but it needs to be supported by concrete action that people can see and feel.

Mr. Vice-President, I also want to talk about one more thing, and that has to do with how we do the air bridge. I know it is a pet topic for our Members here who come from Tobago. Something needs to happen with transportation between Trinidad and Tobago different than what is happening now. I think that we are a unitary State and I struggle to understand why, if I want to go to Tobago next week, I cannot get a flight. It is impossible.

I understand the model. Caribbean Airlines is running this on a subsidized airfare, and what they would do if two flights are light, they would cancel a flight and try to combine because they want to run at the highest possible load factor to minimize any loss. I think that is not a sustainable model. For me, if we want to subsidize something, rather than pay money to rent empty buildings, give Caribbean Airlines. Say, "Listen, if you have to run at up to 70 per cent capacity and take a little loss on that, the Government will absorb that loss", and put on extra services. So that when I want to fly from Trinidad to Tobago, I can get a flight at any time. It is unsustainable.

At the last session, one of our temporary Independent Senators said that she sat in the airport waiting for eight hours for a flight. She had a confirmed flight, and sat from 12 noon until 8.30 p.m.—eight hours waiting for a 20-minute flight. That cannot be. It is a waste of executive time, if nothing else. I understand very well the Caribbean Airlines challenge. They have been forced to operate with an extremely tight operating sphere, and that what they do is try to run all the flights

97/98 per cent load. If they have a flight that is 75 per cent load and a flight at 60 per cent load, they would cancel one of those and try to combine and try to accommodate people to make sure that every flight is virtually full. I understand that that is the commercial driver they are working with, but I think there needs to be a review of that. With the greatest of respect, I do not think that that is the best way. I believe Trinidad and Tobago is a unitary State, it should not be an issue to travel between Trinidad and Tobago. It should never be an issue.

We have a $61 billion budget. We are here being asked to approve almost $4 billion more—$65 billion. I believe the Government could sustain a subsidy on that, in the same way in which we sustain a subsidy so we can drive around in our vehicles. How much will that cost the State? I think somebody needs to do an examination of some other options, get some additional aircraft and make sure there is always fair capacity on the route to deal with the peaks, rather than having Caribbean Airlines permanently scrambling.

The issues that Caribbean Airlines is dealing with today are horrible, but those issues I understand the Minister of Finance and the Economy is working on assiduously to try to bring those things under control. It is a tremendous inconvenience, and the citizens of Trinidad and Tobago should not necessarily have to deal with that, when the issues that are in there, in my mind, could have been handled before it had gotten to this stage.

Mr. Vice-President, I note that I will not talk about LifeSport. I live too close, so I am not going to say anything about that. [*Laughter*] If nothing else, I am a pragmatist, I am staying far away from that. I think other Members have spoken about it. Who live in Tobago could talk about it, that is fine. I am not saying anything.

Sen. Singh: And the topic was exhausted. [*Laughter*]

Sen. D. Small: We are here to debate this Bill. I believe that several of the provisions in there I support, but several of the provisions in there I question, and I question them purely on the basis that the supporting data that I would normally have—to understand why or the reasons for why this is being done—is not in there. I understand this is probably the standard format. This is the first time I am dealing with this, but I think this is deficient.

I think that for me to really look at this and get a grasp of what we are being asked to debate upon, for some of those there are good descriptions, and then for some there are just one-line descriptions. If this is what the Cabinet had approved, lovely, I am not disputing the Cabinet's approval. All I am saying is could we get a little bit more information to understand the provisions that we are being asked to look at.

Mr. Vice-President, with those few short words, I want to thank you for the opportunity to speak.

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. Vice-President. I would like to also thank Senators for their contributions. In the debate there were many very good contributions and, of course, there was the normal amount of theatre, which is important—or probably more than the required amount of theatre. It has been a long debate, and I think it has been very helpful in bringing out all of the issues that needed to be addressed as part of this request which came from the Government.

One of the things that has been raised, of course, is the size of the budget. Of course citizens are concerned and everyone is concerned, and we certainly would like to see the budget, perhaps, being smaller than it is and, perhaps, being a little bit more focused than it may seem to be.

I would just want to make a few comments on that. The first is that in the budget a certain amount of allocations were made for clearing a number of backlog payments that had been inherited. Some of them go back even to as far back as 2009, and particularly things like the fuel subsidy where payments are owed to Petrotrin for payment subsidies going back to 2009. That would include—and I think the figure is somewhere in the region of $7 billion of backlog payments, that we have put into this budget, $7.5 billion, to clear. We have also put funds in there, about $2 billion to clear backlog of VAT payments. We have cleared a little over $1 billion so far during the course of this year.

So that while the number is big, a lot of it is not, in a sense, for current expenditure. It is trying to clear some of the backlog of payments that have been inherited and that has sort of built up over the years.

As a per cent of the GDP, the budget this year, $65 billion—assuming we use the figure of $65 billion, assuming it will all be spent, probably not, but let us assume it will all be spent—using our expected GDP for this year of $175 billion, would give you a total budget as a per cent of GDP at approximately 37.2 per cent.

If you go back to 2009, you would see the budget at the time was about $45.7 billion, with a GDP of $121 billion, and the total expenditure as a per cent of GDP was roughly the same figure, about 37.7 per cent. So that overall, as the economy continues to grow and expand, as GDP grows, you would expect that the budget would continue to increase over time. So while there may be some concern expressed about the numbers, and certainly there is always room to do better and

to certainly control expenditure better, if you look at the relative ratios and percentages, you would see that they are not very far out of line with what would have existed previously.

One of the points that had also been made, and I think the Prime Minister made the point when she was speaking about the request for additional funding, which is normally asked for as part of the mid-year review—this year the total that is being requested is approximately 6.7 per cent of the original budget.

If I can go back to what the Prime Minister said when she was doing her contribution, she made the point that if you look at what happened—and I am quoting from her:

> "...from 2002 right down until we came into office in 2010 in terms of..."—the increases that were asked—"in 2002/2003, the former administration came for supplementary appropriation with two Bills, that is, two different Bills, two Acts and their percentage of increase was 19.21 per cent.
>
> In 2003/2004, again they came..."—for two requests—"to increase; a total of 17.2 per cent...In 2004/2005, again..."—there were two requests—" "for...22.71 per cent. In 2005/2006...two supplementary..."—increases—"23.9 per cent, almost 24 per cent..."—and so on.

11.35 p.m.

I mean, I could go through all of the years and so on, but it is not necessary to go through all of the years. The increases were up to between 20 and 24 per cent as compared to the request which is, in this appropriation Bill, roughly 6.7 per cent of the original budget that had been requested.

So when you look at the overall context, I think, certainly I agree there is more to be done in terms of the budget and more to be done in terms of control, but I would want to say that, I think, overall the numbers do not seem to be way out of line with what has happened in the past, not that we necessarily want to use the past as the benchmark, we want to improve as we move forward. But I just want to say that that is something that, you know, we have to deal with.

There were a few issues which were raised which we have to address. One, of course, which was raised was the question of the achievements, and I think the reason why the hon. Minister of Planning and Sustainable Development, I think, circulated this document is because I think there is an understanding that if you are spending money you have to try to in some way account for the money that you are spending. [*Desk thumping*].

Sen. Ramlogan SC: Yeah. Quite so. They never did that.

Sen. The Hon. L. Howai: I am glad to see that you are back, AG. [*Desk thumping*] I really missed you. [*Laughter and crosstalk*]

Sen. Al-Rawi: Thirteen hours, six minutes and four seconds later.

Sen. The Hon. L. Howai: But, no. I mean, the document—and I have to say that, and again we would say that, you know, this is the first version, I think, that we have laid in the House, hon. Minister, and there is always again room to improve and continue to build and so on. Through it all there is a basic principle which is, I think, accepted, understood and which is being adhered to which is that there has to be some kind of accountability: What has been delivered? What have we done? How have we spent the funds? How have we adhered to the promises, and how have we delivered on the promises which had been in the document, in the manifesto which had been circulated, and on which the people of Trinidad and Tobago had, in a sense, made their decisions?

If you go through the document there is room for us to put a lot of additional information, but there is information, you know, in terms of partnering with, if you look at the partnering with schools initiatives in the private sector. And the Government has already partnered with 22 special needs schools which presently teach over 2,000 special needs students. And if you go through all of the documents here, and I do not need to—at 11.38—perhaps continue to read all of the things that are in this document here—over 1,000 students being trained in various cohorts of certificate in education and bachelors in education, in tertiary institutions. At present, over 4,000 persons were trained as ECCE teachers.

But basically what the document does is account to the taxpayer in some form for what has been done. And I am sure that as we go forward from here more improvements will come forward as far as this particular document is concerned.

So, Sen. Al-Rawi, it is not rubbish. It is a document that is an attempt to provide the information that we need as we go forward. [*Desk thumping*] Right? So, I just want to make the point that—[*Interruption*]

Sen. Al-Rawi: There are some misprints in it.

Sen. The Hon. L. Howai: Okay. And we will improve on those as we go along. Thank you very much, Senator.

One of the things that have come up is that particular green initiative, and the Ernst & Young Report. The Ernst & Young Report came out of a request from the Ministry of Food Production when certain information came to light as a result of certain statements that were made and so on. The Ministry of Food Production

came to the Ministry of Finance and the Economy and said, "listen, we are hearing that there are concerns; we would like to have an audit done." And the Ministry of Finance and the Economy on that basis went ahead to do this audit on the basis of the allegations which seemed to have been made—not which "seemed to"—which were made.

And at that time the company was not yet a company it was still a project which was being managed by the Ministry of Food Production, and the report only came out a few days ago. The report came out on June 27 which would have been last week, and on the basis of that report, action will be taken. The point is that we are not going to be perfect. We are not going to get everything right, but when we get it wrong, we determine what went wrong and we ensure that we take measures to deal with it. [*Desk thumping*] And I am sure—I am not sure that I could say "heads would roll", Minister. Could I say "heads will roll"? [*Crosstalk*] You can say "heads will roll"?—but certainly I know that action will be taken to address the issues which have been raised.

We have raised also the issue of Caribbean Airlines, you know, and the difficulties which we have experienced over the past 24 hours. I know that the CEO and his team were up from about 2.30 this morning in meetings trying to address the issues. I got a report at five o'clock this morning on some of the measures that they were going to take to deal with the problem, in spite of the fact that, I think, they probably have about 31 pilots who did not show up; 43 flights were cancelled, but 38 flights were able to get off. I was here so I did not get an update, but I am hopeful that the London flight would have gone. The New York flight would have also gone at about eight o'clock tonight, and I think there is a midnight flight which, well hopefully, will be leaving shortly. And there is every intention to try to bring this under control within the next 24 hours.

Hon. Senator: We introduced the midnight flight.

Sen. The Hon. L. Howai: We introduced the midnight flight. Yeah. So that we have one to go just now. Yeah. But the thing is that we are in the process of trying to have this particular matter sorted out by way of dealing with the specific issues; issues of pay and compensation which we are in the process of trying to address with TALPA and with the pilots with a view to getting everything back on stream.

And we are similarly dealing with the issues as far as immigration is concerned, and the rest of the public service as we continue the negotiations with the PSA as far as—[*Interruption*]

Sen. Al-Rawi: Is there a time line as far as—

Sen. The Hon. L. Howai:—Immigration should be back on stream in the morning. I had a meeting earlier today with the President of the PSA, and he left the meeting having given the undertaking that, while we continue the negotiations over the next few days, that he will instruct his members to go back out to work in the morning. [*Desk thumping*] So those are issues that we are seeking to bring under control over the next few days. There are a number of other issues which came up, Mr. Vice-President, some of which have been dealt with by some of the other speakers—Sen. Tewarie, as well as Sen. Griffith, as well as Sen. Lalla who would have dealt with some of the issues.

The matter of the foreign exchange, I am not quite sure if I understood the point that was being made about a change in the allocation system as at midnight last night, I am not quite sure if—[*Crosstalk*] I will need to find out about that, but I can say that we did have discussions around finding a solution for the issues that had come up.

I want to say though that—and I think that we have started to see improvements, and as far as I am aware, the system was adjusted to more closely approximate what had existed before up to some time ago. Changes that may have happened yesterday, I am not familiar with. I will need to have a look at that. But as far as the foreign exchange market is concerned, I think it is important to note that there have always been periods of tightness in the market over the years. You know, it is not as if, you know, it has always been very good and everybody has been getting what they want. There has been a queuing system; a queuing system has existed for many years.

So what a queuing system means is that people will not get all the foreign exchange they want all the time, and you simply get into a queue and, you know, within a reasonable period of time it is normally sorted out. And, I think, when the statements were made about things getting back to normal, some persons may have assumed that normal meant, well, you get everything you want when you want it. What it meant was that, yes, you will have some delays, but you will have all your requests met.

And I do not think that—from my understanding, while there may have been some anecdotal stories about persons getting in the last couple of weeks at least, less than they may have asked for, I do not think that there have been any real issues of persons needing foreign exchange who were unable to get it within a reasonable period of time, using the former benchmarks. [*Crosstalk*] No. The

thing is, again, you will end up in the queue, and then you will be sorted out over a period of time. I think, one of the concerns or perhaps persons may have assumed that, based on the kind of statements that had come of the Bankers Association and the Central Bank, that perhaps they would have had all their needs met at the same time.

But, I think the market is coming back closer to a state of normalcy. I want to say that with respect to the economy as a whole, just to reemphasize, that generally with the exception of a couple of months early this year when we had to go back into some maintenance work, I think it was Savonette, we had some work on Savonette earlier this year that also took some of our output offline. By and large, the economy continues to grow at a robust pace. Inflation remains subdued. Our foreign direct investments continue to grow. Our debt to GDP, as I said, is at manageable levels. There is no shortage of foreign currency. Certainly our foreign exchange reserves remain strong.

We have continued to work on the CL Financial arrangements. The last extension came to an end yesterday, but in light of the fact that we are still working on MHTL which is a major—in fact, the most significant asset in the group which will have a significant influence on what the end result turns out be—both sides felt that we should defer the final execution of a shareholder's agreement, and this would be the definitive agreement until at least the decision is made by the arbitrators.

So we have agreed to a further extension for up to three months after the date of the decision of the arbitrator, with a moving target—we have put a moving target in because we really do not want a situation where you have to be going back every month or every three months as the case might be because we are waiting on a decision—decision which we have no clear indication as to when it will come.

So that is something that we continue to work on, but I think we are in a much better position today because over the period of time, you know, things have become much clearer, assets values have increased. The performance of the companies has continued to improve as the economy has continued to grow, and the overall position seems that the Government has a very much better chance today than we did some years ago, to be able to come out of all of this with a full repayment of all the outstandings. [*Desk thumping*]

So, Mr. Vice-President, there is actually—I am seeing a few other things here, but I do not want to necessarily go into all of the other issues that we have here. I think we have ventilated a lot of it very fairly well. I would just want to say that at

this time, I think, the economy is very well positioned. As I say, I think we are the envy of many of our Caribbean neighbours, and I think it is really just ours to spoil if we really just do the right things. I think we have a very good chance to really build a really great future for our children and our grandchildren in years to come.

So with those few words, Mr. Vice-President, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

11.50 p.m.

Sen. The Hon. L. Howai: Mr. Vice-President, in accordance with Standing Order 63, I beg to move that the Bill not be committed to a committee of the whole Senate.

Question put and agreed to.

Question put and agreed to: That the Bill be read a third time.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Thank you, Mr. Vice-President. It has been a very extended session and tomorrow we will continue.

So, with those few words, Mr. Vice-President, I beg to move that this Senate do now adjourn to Wednesday, July 02, 2014 at 1.30 p.m., in which we—as I have indicated to both the minority leader and also the coordinator—will deal with the House Amendments to the Miscellaneous Provisions (Licensing Committee) Bill, 2014. Those amendments are listed in the appendix. And secondly, an Act to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union Co-operative Society Limited; to empower the Minister with responsibility for finance to make payments and issue bonds for the purchase of those rights and for related matters.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 11.53 p.m.