

THE  
**PARLIAMENTARY DEBATES**  
OFFICIAL REPORT

IN THE FIRST SESSION OF THE NINTH PARLIAMENT OF THE REPUBLIC OF TRINIDAD  
AND TOBAGO WHICH OPENED ON DECEMBER 17, 2007

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SESSION 2007—2008

VOLUME 3

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**SENATE**

*Tuesday, June 03, 2008*

The Senate met at 1.30 p.m.

**PRAYERS**

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

**ACTING ARRANGEMENT**

**Mr. Vice-President:** Hon. Senators, I wish to inform you that the President, Sen. The Hon. Danny Montano is currently acting as President of the Republic of Trinidad and Tobago.

**LEAVE OF ABSENCE**

**Mr. Vice-President:** Hon. Senators, I have granted leave of absence to Sen. The Hon. Hazel Manning for the period May 28, 2008 to June 05, 2008 and Sen. Annette Nicholson-Alfred from today's sitting.

**SENATOR'S APPOINTMENT**

**Mr. Vice-President:** Hon. Senators, I have received the following correspondence from His Excellency the President, Prof. George Maxwell Richards:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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

/s/ G. Richards  
President.

TO: MR. NOEL GAYLE

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

*Senator's Appointment*  
[MR. VICE-PRESIDENT]

*Tuesday, June 03, 2008*

NOW, THEREFORE, I, GEORGE MAXWELL RICHARDS, President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, NOEL GAYLE, to be temporarily a member of the Senate, with effect from June 03, 2008 and continuing during the absence from Trinidad and Tobago of Senator Hazel Manning.

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 2<sup>nd</sup> day of June, 2008."

#### OATH OF ALLEGIANCE

*Sen. Noel Gayle took and subscribed the Oath of Allegiance as required by law.*

**Mr. Vice-President:** Hon. Senators, another Senator is required to take the oath which we will defer for a later stage in the proceedings.

*Question put and agreed to.*

#### ORAL ANSWERS TO QUESTIONS

##### **Tertiary Education (Grant of Financial Assistance/Scholarships)**

**11. Sen. Wade Mark** asked the hon. Minister of Community Development, Culture and Gender Affairs:

- A. Could the Minister inform the Senate whether her Ministry has provided financial assistance or awarded scholarships to persons desirous of pursuing studies at universities in Trinidad and Tobago, the Caribbean region and/or internationally?
- B. If the answer is in the affirmative, will the Minister provide this Senate with the following information:
  - (i) a list of the names of persons who have benefited from such assistance for the period 2002 to December 2007;
  - (ii) the amount of financial assistance provided to each person; and
  - (iii) the names of the institutions involved?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, I have investigated question No.11 and have been told that it will not be ready for three weeks.

*Question, by leave, deferred.*

**Mr. Douglas Mendes SC  
(Details of Retention of Services)**

**12. Sen. Wade Mark** asked the hon. Attorney General:

Could the Attorney General provide the Senate with:

- A. A detailed list of the matters in which Mr. Douglas Mendes SC has been retained by:
  - (i) the Government of Trinidad and Tobago;
  - (ii) the Integrity Commission;
  - (iii) the National Lotteries Control Board;
  - (iv) the Telecommunications Authority of Trinidad and Tobago; and
  - (v) any other state enterprise and/or statutory authority during the period January 01, 2002 and December 31, 2007?
- B. Could the Attorney General also provide a detailed breakdown of the fees paid to the said Senior Counsel during the same period?

**The Attorney General (Sen. The Hon. Bridgid Annette-George):** Mr. Vice-President, with respect to the detailed list of matters for which Mr. Douglas Mendes SC has been retained, the Ministry of the Attorney General is only able to provide information as it relates to the Government of Trinidad and Tobago. The Ministry of the Attorney General is in no way involved or responsible for the retention of external legal counsel by the Integrity Commission, the National Lotteries Control Board, the Telecommunications Authority of Trinidad and Tobago or any other state enterprise and/or statutory authority.

The Ministry of the Attorney General did not, throughout the entirety of the requested period, employ data recording systems which matched payments to attorneys at law with the court matter for which they were being paid. Therefore, to produce such information for the period shall be a protracted process, utilizing a great deal of resources of the ministry. As such, the Ministry of the Attorney General is only, at this time able to provide information with respect to the matters for which Mr. Mendes was retained post January 01 2005 as follows:

*Oral Answers to Questions*  
[SEN. THE HON. B. ANNISSETTE-GEORGE]

Tuesday, June 03, 2008

1. *Chandresh Sharma v the Attorney General*—Privy Council Appeal S1797/03; Court of Appeal No. 52/05
2. *Finbar Gangar v Magistrate Ejenny Espinet*—Court of Appeal No. 104 of 2006.
3. *The Hon. Chief Justice v The Deputy DPP and Others*—Privy Council Appeal No. 91, 92, 93/2006.
4. Advice on suspension of Chandresh Sharma.
5. *The State v Abu Bakr*—High Court Action 2292/94.
6. *Rosalie Roberts v Tracmac Engineering Limited, Altex Construction Limited and Top Builders Limited* Magisterial complaint—13053/05.
7. *The Hon. Chief Justice v Hon. Prime Minister*—Claim No. CV 2006-01214.
8. *Carla Browne Antoine v Sat Sharma*—Claim No. CV 2006—1956 and Court of Appeal No. 93 of 2006.
9. Extradition of Abdul Noor & Others—CV 2007—03063.
10. *His Worship Sherman Mc Nicholls, Chief Magistrate v Fidelity Finance & Maritime General Insurance Company Limited*—Civil Appeal No. 127 of 2007/CV 2007—02483.
11. *Basdeo Panday v the Attorney General*—High Court Action No. 2525/03; Court of Appeal No. 30/04.
12. *Fidelity Finance & Maritime General v His Worship Sherman Mc Nicholls, Chief Magistrate*—CV 07-02483.
13. *John Henry-Smith and Barbara Gomes v His Worship Sherman Mc Nicholls, Chief Magistrate*—CV 07-02513.
14. *Galbaransingh v the Attorney General of Trinidad and Tobago*—CV 2007—01825.
15. *Galbaransingh v the Attorney General of Trinidad and Tobago (Extradition Challenge)*—Court of Appeal 84 of 2007.
16. Request for extradition of Steve Ferguson CV 2005-02959; Court of Appeal No. 60/07.

17. *Seeromani Maraj-Narayansingh v DPP*—CV 00666/2006.
18. *Basdeo Panday v Chief Magistrate Sherman Mc Nicholls*—Court of Appeal No. 7/2006.
19. *Derek Bain v the Attorney General*—CV 005/00710.
20. *Finbar Gangar v Magistrate Ejenny Espinet*—CV 2005/000689.
21. *Satnarine Sharma v Patrick Manning*—High Court Action 868 of 2005.
22. *Basdeo Panday v Chief Magistrate*—Court of Appeal No.7 of 2007  
*Basdeo Panday v Chief Magistrate*—CV 2006-0087.
23. *Derek Bain v the Attorney General of Trinidad and Tobago*—Claim No. S-CV 2005.00716.
24. Re Application for bail by Basdeo Panday—Brief Re CV 2006-00519.

With respect to B, in the past, responses were given to questions posed of a similar nature. However, the Government has decided to revisit this issue and as a consequence, the Attorney General has advised that this question raises two very important competing principles of constitutional law.

On the one hand, there is the right of an individual to the respect for his private life which is guaranteed by section 4(c) of the Constitution and on the other hand the duty of a Minister to account to the Parliament for the exercise of his or her powers and duties.

The right of individuals to the respect for their private life would include the protection from disclosure to the public of their remuneration without consent. In fact, in the enactment of specific statutes, our Parliament has exhibited its recognition of that right as evidenced in the provisions of the Freedom of Information Act, 1999 which, although permitting access to information, has excepted disclosure of the private and business affairs of persons.

The private affairs of persons include information relating to the financial transactions in which that individual is involved. The right of individuals to respect for their private life must be counterbalanced with the public interest duty to account to Parliament and that balance will shift in favour of one or the other dependent on the circumstances under which the information is requested.

In circumstances where there is an allegation of wrongdoing or a suspicion of the commission of an offence, the public's interest duty to account may assume greater significance over individuals' right to the respect for their private life and, may therefore justify an encroachment on that right.

In the circumstances, and in dealing with the question posed, there is no manifest justification for an encroachment of the constitutional right of the individual to the respect for his private life.

Thank you, Mr. Vice-President.

**1.45 p.m.**

**Sen. Mark:** Mr. Vice-President, could the Attorney General indicate to this Parliament whether this is the new practice on the part of the Government when it expends public moneys, that the Government of Trinidad and Tobago is not prepared to provide information on public moneys that were given, or were received by attorneys acting on behalf of the State; and whether this is a new practice that is being introduced by the PNM Government?

**Sen. The Hon. B. Annette-George:** Mr. Vice-President, I believe that was answered in the question and I would just repeat part of the answer where it was said that in the past, responses were given to questions posed of a similar nature. However, the Government has decided to revisit this issue and as a consequence the Attorney General has advised that this question raises two very important competing principles of constitutional law.

I also want to advise that moneys were not given or received. They were remuneration for services rendered.

**Sen. Mark:** Mr. Vice-President, could the Attorney General indicate to this Parliament when would she be in a position to provide this Parliament with answers on services rendered by one Mr. Douglas Mendes SC, for the period 2002, 2003, 2004 and 2005?

**Sen. The Hon. B. Annette-George:** Mr. Vice-President, again, I will refer to the response which indicated that the systems in the Attorney General's Department did not at the time record information on a particular type of way to match cases against attorneys and, therefore, it is going to be a protracted period. I am unable to indicate what time frame.

**Sen. Mark:** I would like to ask the Attorney General of this country whether this is a systematic attempt on the part of the PNM to cover up funds that are, in fact, given to attorneys in providing services to the State; secondly, whether the Attorney General is saying to us in this Parliament today that there will be no future disclosure to the people of Trinidad and Tobago insofar as expenses are concerned re services rendered by attorneys in the future.

**Mr. Vice-President:** Sen. Mark, I think the Attorney General answered both questions—

**Sen. Mark:** No, no—to your satisfaction?

**Mr. Vice-President:** To my satisfaction.

**Sen. Rahman:** I was under the impression, Sir, that when a barrister, particularly a senior counsel, functions, he functions by himself as one would equate a sole trader, and that his business is therefore not private business or personal income—

**Mr. Vice-President:** Sen. Rahman, do you have a supplemental question?

**Sen. Rahman:** Yes, Sir. I am trying to clarify the question. The question is: Is Mr. Douglas Mendes a private individual or a corporation within himself? If he is a corporation within himself, it is not a question of private information being divulged about any individual. I want to suggest that he does not fall in that category.

**Mr. Vice-President:** I would not allow that question.

**Sen. Rahman:** May I ask another question?

**Mr. Vice-President:** No. I think we want to move on.

**Sen. Mark:** Mr. Vice-President, I think we will have to move a Motion of no confidence in you.

**Mr. Vice-President:** Whenever you are ready.

### **Granting of Scholarships/Funding (Committee Members)**

**15. Sen. Wade Mark** asked the hon. Minister of Community Development, Culture and Gender Affairs:

- A. Could the Minister provide the Senate with a list of the Members who comprise the committee in the Ministry of Community Development, Culture and Gender Affairs charged with the responsibility for determining the grant of scholarships/funding to needy individuals?
- B. Could the Minister provide the Senate with copies of the brochures/pamphlets containing the procedure and criteria adopted by the committee for determining the eligibility for scholarships/funding?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, question No. 15 to the Hon. Minister of Community Development, Culture and Gender Affairs, on investigation, is not now ready and will not be ready for three weeks.

*Question, by leave, deferred.*

**Official Residence  
(Details of Payments)**

**26. Sen. Wade Mark** asked the hon. Minister of Finance:

- A. Could the Minister provide the Senate with the details of the final cost of the construction of the Prime Minister's residence and Diplomatic Centre?
- B. Could the Minister also provide the Senate with the details of payments of value added tax, income and corporation taxes, and all other corporate taxes by the Shanghai Construction Corporation of China during the period of construction of the said Prime Minister's residence and Diplomatic Centre?

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. President, we are not in a position to answer this question as at today's date.

**Sen. Mark:** Mr. Vice-President, this hon. Minister indicated to you and to this Parliament that this question would be ready in two weeks' time. He comes today, after four months, and simply says that this question is not ready. Could you ask the Minister, on our behalf, when will the question be ready, Sir?

**Sen. The Hon. M. Browne:** Mr. Vice-President, we had acquired the information and in so doing we had discovered an error which we must now correct. We expect to correct it in two weeks. Thank you very much, Sir.

*Question, by leave, deferred.*

**Conduct of the Chief Justice  
(Legal Advice Offered on)**

**28. Sen. Wade Mark** asked the hon. Prime Minister:

- A. Could the Prime Minister make available the official legal advice offered to him by Dr. Lloyd Barnett QC and Mr. Mark Strachan QC from Jamaica and the United Kingdom respectively on which his

decision to have the President of the Republic establish a tribunal to investigate the conduct of the Chief Justice?

- B. Could the Prime Minister also provide the Senate with details of the legal costs and fees paid to both Dr. Lloyd Barnett QC and Mr. Mark Strachan QC for the said advice?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, question No. 28 is not now ready and on the basis of the information that is available to me, will not be ready for a period of two weeks.

*Question, by leave, deferred.*

**Ongoing United Nations Development Project  
(Computerization of the Licensing Office)**

**45. Sen. Wade Mark** asked the hon. Minister of Works and Transport:

With respect to the ongoing United Nations Development Project for the computerization of the Licensing Office, could the Minister advise the Senate:

- (i) what is the status of this project;
- (ii) what was the sum of money allocated for this project;
- (iii) how much money, if any, has been spent on this project so far; and
- (iv) whether the project has been abandoned or is there a new completion date?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, I have been requested by the Minister of Works and Transport to request from Sen. Mark a deferral of this question for two weeks.

*Question, by leave, deferred.*

**Public Transport Service Corporation  
(Status of Local Agents for Volvo Buses)**

**46. Sen. Wade Mark** asked the hon. Minister of Works and Transport:

- (a) With respect to the Volvo manufactured articulated buses owned by the Public Transport Service Corporation, could the Minister inform the Senate who are the local agents for these buses?

- (b) Could the Minister also inform the Senate whether those agents have a workshop and spare parts facility in Trinidad?
- (c) If the answer to (b) is in the affirmative, could the Minister state where this workshop and spare parts facility is located?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, on this one, he has asked for a deferral of three weeks.

*Question, by leave, deferred.*

**Sen. Mark:** Minister Dick—

**Mr. Vice-President:** No, no, no; the Minister of Planning—

**Sen. Mark:** Yes, Minister Dick.

**Mr. Vice-President:** Sen. Mark, would you refer to hon. Senators by—

**Sen. Mark:** Arrogant!

**Mr. Vice-President:** Would you refer to hon. Senators—

**Sen. Mark:** I said Minister Dick.

**Mr. Vice-President:** No.

**Sen. Mark:** What is it?

**Mr. Vice-President:** Minister of Planning—

**Sen. Mark:** Yes, but you would not allow me.

**Mr. Vice-President:** Sen. Mark, would you continue and would you refrain from—

**Sen. Mark:** You would not give me a chance to ask my own question, man. I will have to complain to the Prime Minister about your behaviour! Or the President, should I say. I am ashamed of the Attorney General! She should resign! I could understand why the Prime Minister embarrassed you recently.

### **United Nations Development Programme (Status Report of Funding)**

**47. Sen. Wade Mark** asked the hon. Minister of Planning, Housing and the Environment:

- (a) Could the Minister inform the Senate whether the Government of the Republic of Trinidad and Tobago has been able to access funding from the UNDP's programme for critical development and technical projects?

- (b) If the answer to (a) is in the affirmative, could the Minister provide the Senate with a status report on the funding accessed from the programme during the last three (3) years?
- (c) If the answer to (a) is in the negative, could the Minister inform the Senate:
  - (i) whether Trinidad and Tobago has graduated out of the programme; and
  - (ii) whether projects that could have been funded by the UNDP must now be financed by the Government?

**The Minister of Planning, Housing and the Environment (Sen. The Hon. Dr. Emily Gaynor Dick-Forde):** Mr. Vice-President, respectfully, as all Senators should do, I submit to you that we are unable to answer this question now. We have had the information but we have been asked to make some changes to ensure that all of the details are in and we undertake to bring the question to the Senate in about two weeks' time.

Thank you.

**Sen. Mark:** I am very grateful.

*Question, by leave, deferred.*

**World GTL Trinidad Limited  
(Cumulative Preference Shares)**

**67. Sen. Basharat Ali** asked the hon. Minister of Finance:

Could the Minister advise the Senate on the following:

- A. The date of acquisition, the number of shares and acquisition cost of the 12% Cumulative Preference Shares in World GTL Trinidad Limited, reported in the NIB Annual Report 2007?
- B. Whether this investment by the NIB met the criteria for approved investments in accordance with paragraph 1 of the First Schedule of the National Insurance Act (Chap. 32:01)?
- C. Alternatively, was approval for this investment given to the Board by the Minister with responsibility for Finance in accordance with paragraph 1A of the said Schedule and, if so, the basis for such approval.

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. Vice-President, with respect to Part A of this question, the board acquired 10 million 12% redeemable cumulative, non-voting preference shares in World GTL Trinidad Limited at a cost of US \$10 million or at US \$1 per share on April 13, 2007.

With respect to Part B of the question, the investment met the criteria set out in clause 1(e) of the First Schedule of the National Insurance Act as amended by ministerial order on April 04, 2007, which states that the board may invest in securities of the following classes:

- (1) Fully paid ordinary shares, preference shares, bonds, debentures or other evidence of indebtedness of, or guaranteed by, a corporation incorporated in any country or state referred to in subparagraph (a), subsections (1) to (4), provided that subject to paragraph 1(b), an investment in ordinary shares shall not, without the approval of the Minister with responsibility for finance, exceed 30 per cent of the total funds of the board.
- (2) Where an investment in ordinary shares is to be made in a country or State referred to in subparagraph (a), subsections (2) to (4), the country or State and the particular country shall carry an investment grade rating by an internationally recognized rating agency or any other rating agency approved by the Minister with responsibility for finance.

The countries or States referred to in paragraph A, subsections (1) to (4) of the Act are as follows:

1. The Republic of Trinidad and Tobago;
2. Any Commonwealth country;
3. The United States of America or a state thereof;
4. Any other country or State thereof approved by the Minister with responsibility for finance provided that with respect to subparagraphs (2), (3) and (4), the country or state and the particular security shall carry an investment grade by an internationally recognized rating agency.

Section 1(b) states that investments in countries outside of Trinidad and Tobago shall not altogether exceed 10% of the total investment portfolio of the board.

Part C of the question: The board approved the investment based on the recommendation of the investment committee acting upon a proposal submitted by management. The proposal was initiated and developed by the board's investment division in accordance with the board's investment policy guidelines and the division's technical analysis methodologies and controls.

Thank you.

**Sen. Ali:** Mr. Vice-President, I was not quite clear what clause the Minister was referring to at the beginning. Clause 1(e) did you say?

**Sen. The Hon. M. Browne:** We are speaking in respect of paragraph 1 of the First Schedule of the National Insurance Act, Chap. 32:01; paragraph 1(a) in the first instance and clause 1(e), of the first one; subsection (e) of the First Schedule of the National Insurance Act as amended by ministerial order on April 04, 2007.

**Licensing Authority  
(Measures to Stamp out Illegal Practices)**

**68. Sen. Wade Mark** asked the hon. Minister of Works and Transport:

With respect to the numerous reports over the past seven (7) years of fraudulent activities at the offices of the Licensing Authority, particularly the Port of Spain office, could the Minister inform the Senate of the steps or measures taken by his Government to stamp out such illegal practices?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, question No. 68 follows the same request as question No. 46, a requirement for an additional three weeks.

*Question, by leave, deferred.*

**2.00 p.m.**

**Trinidad and Tobago Roads  
(Registered Vehicles on)**

**71. Sen. Mohammed Faisal Rahman** asked the hon. Minister of Works and Transport:

Could the Minister provide the following information for the period January 01, 2002 to December 31, 2007:

- (i) how many vehicles have been registered for use on Trinidad and Tobago roads?
- (ii) of that number, how many are diesel powered?
- (iii) of the number that are diesel powered, how many have been registered as "P" vehicles for private use.

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** The Minister of Works and Transport has requested that I ask for a three-week deferral.

*Question, by leave, deferred.*

**Western Cemetery in St. James  
(Closure on Weekends)**

**73. Sen. Mohammed Faisal Rahman** asked the hon. Minister of Local Government:

Can the Minister explain why the Western Cemetery in St. James is uniquely closed on weekends for burial, causing Muslims there to suffer great hardships in their religious burial practices?

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** The Minister is not here. I ask for a deferral of one week.

*Question, by leave, deferred.*

**Public Health Institutions  
(Access of Psychiatric Treatment)**

**74. Sen. Mohammed Faisal Rahman** asked the hon. Minister of Health:

Could the Minister advise whether there exists any facility for traumatized individuals to access psychiatric treatment (mental health services) at any of our public health institutions?

If not, would the Government urgently consider providing such services?

**The Minister of Health (Sen. The Hon. Jerry Narace):** Mr. Vice-President, the answer is not complete. In about two weeks we should have that answer ready.

*Question, by leave, deferred.*

**Private Banking Sector  
(TT Dollar Slide Against US Dollar)**

**75. Sen. Mohammed Faisal Rahman** asked the hon. Minister of Finance:

(i) Could the Minister state what role the private banking sector played in the slide of the TT dollar against the US dollar from \$5.75 to \$6.30 in the period 1991 to 2007?

(ii) Could the Minister also state how did the private banking sector as well as the working population of Trinidad and Tobago benefit from the scenario at (i) above?

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. Vice-President, the answer to this question is not yet complete and we ask for a deferral of two weeks

*Question, by leave, deferred.*

#### WRITTEN ANSWERS TO QUESTIONS

*The following question was asked by Sen. Cindy Devika Sharma:*

#### **Churchill Roosevelt Highway (Santa Rosa and O'Meara)**

- 50.** With respect to the new section of the Churchill Roosevelt Highway being constructed between Santa Rosa and O'Meara, could the hon. Minister of Works and Transport inform the Senate of the:
- (a) initial time frame for its construction and how close it is to being completed;
  - (b) number of contracts that have been awarded during its construction;
  - (c) names of contractors that have been awarded contracts by the ministry for its construction;
  - (d) amount of money estimated for its construction and the actual amount spent to date?

*Vide end of sitting for written answer.*

*The following question was asked by Sen. Mohammed Faisal Rahman:*

#### **Police Equipment (Purchase of)**

- 72.** (a) Could the hon. Minister of Works and Transport state what specific items of police equipment have been purchased by the Government for crowd control for the period January 01, 2002 to December 31, 2007?
- (b) Could the Minister provide the Senate with the quantities and cost of such items purchased?

*Vide end of sitting for written answer.*

**PRIVATE SECURITY INDUSTRY  
(UNPRECEPTED SECURITY OFFICERS)  
[Fourth Day]**

*Order read for resuming adjourned debate on question [January 22, 2008]:*

*Be it resolved* that the Government take all necessary steps to ensure that unprecepted private security guards are not exploited by virtue of the high demand for security services; and

*Be it further resolved* that the Government take all the necessary measures to enact into law the relevant legislation to establish the necessary standards and regulations that would govern the private security industry. [*Sen. W. Mark*]

*Question again proposed.*

**Mr. Vice-President:** Following is a list of persons who have spoken: Sen. Wade Mark, the mover of the Motion, Sen. Prof. Ramesh Deosaran, Sen. The Hon. Rennie Dumas, Sen. The Hon. Martin Joseph, Sen. Dana Seetahal SC, Sen. Mohammed Faisal Rahman and Sen. Helen Drayton. Sen. Dr. Jennifer Jones Kernahan has 21 minutes of normal speaking time left.

**Sen. Dr. J. Kernahan:** Mr. Vice-President, when we adjourned on the last day, I was making the point that under the Supplemental Police Act, Chap. 15:02, sections 35, 36, 37 and 38 infringe on the constitutional rights of security officers to belong to a trade union of their choice. This infringement goes to the heart of the Motion before us which speaks to the oppression and discrimination suffered by security officers, especially unprecepted officers.

In the first place, section 38(2) says:

“No representations shall be made by the Estate Police Association in relation to any question of discipline, promotion or transfer affecting individuals.”

These issues of promotion, transfer and discipline are fundamental to the well-being and security of tenure of security officers.

The fact that the Estate Police Association is not able to deal with issues of discipline with respect to precepted officers under their purview means, as Sen. Mark spoke to, that these private security companies are able to garnish illegally, the pay, the property of workers by means of all kinds of spurious fines. This is protected in law in section 38 which prohibits any representation on issues of discipline. When we have a law that states that the representative body of the security officers is not able to bargain on the issue of promotion which is fundamental to the conditions of work and the future of the security officers in an

organization, if you are denied possibilities for promotion and you do not have a bargaining body to say that this person has worked here for five years and has a good track record and promotion issues arise, there can be a situation where you would not be able to access increases in salary. You would not be able to look forward to a future with this organization, you would be stagnant and static and the motivation would go. What motivation can a security officer have in an organization when there is no possibility for advancement and nobody to argue the case? You can work for 10 or 15 years for the same salary and be dependent on the largesse or goodwill of your employer. This is totally outside the laws and good industrial practice which are current in our country today.

We have a situation of double-digit inflation; people are unable to access promotion and continue to work for less money every year. They access less food, goods and services. There are transport problems because you have to go to work every week and face the horrendous issue of increasing transport costs.

With respect to these workers who are not able to deal with issues of promotion and increase in salaries, you have an increase in poverty, disenchantment and lack of motivation, precisely in an atmosphere where you need the workers to be more motivated, alert and moved to fulfil their duties in a lawless environment that is evolving in this country.

The issue of transfer is also important to workers. You may have an issue where a security firm has agencies in different parts of the country and it might be more convenient for a worker to work out of one location rather than another, to cut down on the cost of transport, as promotion and regular increases in salary are denied him. If you do not have a representative who can bargain for you on these issues it would make life more difficult and the worker can suffer from a serious lack of motivation.

With respect to the Supplemental Police Act, in spite of the claims that the Minister, hon. Dumas made when he spoke, that unprecepted officers are not eligible to be represented by the EPA, Sen. Mark made the point that many of the officers who work in the private security industry are unprecepted officers. Even though the EPA is supposed to represent workers in the private security industry, a whole section that constitutes the unprecepted officers is not represented by the EPA.

I spoke to a trade union representative and was enquiring about these issues and he related the case of an unprecepted officer who had a grievance and was working for an oil company. The EPA took up the case and it went to the Industrial Court only to find at the level of the Industrial Court that the EPA had

no locus standi. They could not represent the worker at that level. In these private security companies a wedge is being driven between the precepted and unprecepted officers. When you drive a wedge between groups of people working in the same establishment, a relatively small establishment, it would be difficult to conduct the collective bargaining procedure in the way that is envisaged.

The bargaining power of workers is based on numbers and solidarity. If you divide workers along precepted and unprecepted, it would be difficult to establish a viable bargaining unit. When the hon. Dumas made the point about trade unions not caring about workers, he was misleading the Senate and the country. It is entrenched in the law that the trade unions are not allowed to represent precepted officers. The unprecepted officers can belong to a trade union, but when the bargaining unit is very small, any impact that you may have on your employer to bargain for better working conditions and terms of employment would be miniscule.

We sought to correct these issues in the Bill we brought to Parliament in 2001, which I mentioned in my contribution. It was a Bill to regulate the licensing and operation of private security agencies, the employment of security officers and matters incidental thereto. In clause 22, under “Trade Union Matters”, we ensured and it states:

“Security officers may form an association which may be registered as a trade union or join an existing association or trade union.”

When private security officers have the ability to join trade unions or register with an existing trade union, they would have power and strength because they would belong to an organization that can represent workers in that security industry at all levels. They would have strong bargaining power available to them.

Clause 23(1) of the Bill that we brought to Parliament in 2001, says:

“An employer shall not dismiss a security officer, adversely affect his employment or alter his position to his prejudice by reason only of the circumstances that the security officer—

- (a) is an officer, delegate or member of a trade union...
- (b) is entitled to the benefit of an order or award under the Industrial Relations Act;
- (c) has appeared as a witness or has given any evidence in a proceeding under the Industrial Relations Act,”

It makes a number of points which protect the worker as someone who is a part of a trade union organization.

Clause 23(2) says:

“An employer shall not—

- (b) dismiss or otherwise prejudice a security officer by reason of union membership or because of participation in union or association activities outside working hours;”

The whole thrust of this Bill that we brought in 2001 was to protect security officers who are unprotected under the law which obtains currently, the Supplemental Police Act.

We provided fines for employers who contravene these laws. Clause 23(3) says:

“An employer who contravenes subsection (1) or (2) is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for one year.”

We dealt with these issues because we recognized the injustice, the oppression and the fact that we were dealing with an archaic colonial law. This administration, a very neo-colonial administration, has pussyfooted over the last seven years and refused to implement the legislation and ensure that it works for the security officers and the people of this country, in spite of the fact that workers are suffering. Hon. Dumas spoke about the fact that legislation is coming and that they are in consultation.

### **2.15 p.m.**

What happens while you are consulting and looking at legislation? We have a perfectly good piece of legislation which should have been enacted since 2001 to protect workers and to enable them to advance their conditions of work and their welfare. What has stopped the Government from dealing with that? Security officers are actually groaning under the oppression of this colonial piece of legislation.

When you have an Estate Police Association which is not functioning, which is, maybe, negligent or which is poorly managed, that is easy to happen. If you have an association where certain people are static—you cannot move them and you have to deal with them—then under those conditions there is no redress for people with grievances, even under the EPA. People’s constitutional rights are daily being violated and while the Government is trying to nit-pick and find fault with the legislation, what happens to the workers?

Sen. Dumas made the point that legislation to treat with the relevant terms and conditions of workers in security services requires significant review. What is he talking about? We have a piece of legislation that could have been implemented; it could have been developed. Nobody is saying that our legislation is perfect and that there are no other issues that have arisen over time. We understand the dynamics of industrial law, but this legislation could have been implemented and developed as we go along to meet emerging situations.

While they are pussyfooting, Mr. Vice-President, salaries are foregone. There is a real effect to what they have done. Workers, because of the lack of promotion and the inability to argue for it, would have foregone salaries, and in addition employers can illegally garnish wages. They would have foregone income and that has a consequence. It means that your family life is under stress. You are carrying home less money based on galloping inflation; your ability to earn is being eaten away both at the point where you get your salary and where you spend it. There is more discord and poverty. There is a decrease in the ability of the family to sustain itself. This is fundamental to what is happening in the society.

There are thousands of workers who are experiencing great difficulty in maintaining their families. This is what we see now. We see total disintegration, social chaos and mothers going to work and leaving their children in very unsafe circumstances with the effect of the abuse we see on children. All these have a domino effect. You cannot disregard the plight of thousands of unprecepted and precepted officers, many of whom are women, and expect a stable society. It does not work that way. This is a classic example of the emperor fiddling while Rome burns.

The Minister of National Security claimed inability to deal with unlicensed agencies. In fact, in his contribution, I am sure he horrified many people when he said, and I quote:

“This is a fundamental concept that is being ignored by my colleagues on the other side. The Ministry of National Security has no power, no remit, no control, no involvement or input...in the affairs of private security companies that do not submit applications for approval. In fact, there is no penalty clause in the Supplemental Police Act, vis-à-vis those agencies that do not seek the Ministry's approval.”

The Minister was being very disingenuous. We have the Bill that we brought to Parliament that dealt with that situation. We dealt with the issue of requiring the licensing of agencies and investigations into the agencies that would identify those that are non-compliant. For example, clauses 3 and 4 of this Bill, under the heading, “Part II, Licences”, make it clear that:

“...no person shall, after the commencement of this Act, operate a private security agency without first obtaining a licence from the Minister to do so.”

In clause 4, it sets out the requirements for the application for the issue of a licence to operate a private security agency.

In clause 5, it says that:

“(1) A licence shall be renewable every two years...”;

and, in clause 8, it says that:

“(1) Upon receiving proof of payment of the licence fee, the Minister shall issue a licence...”

What is relevant to the horrific statement that the Minister made that he has no control, no power and involvement in the affairs of private security companies, is that it says in clause 9, which would have solved the Minister's problem if he had chosen to implement the legislation, instead of sitting on his hands for seven years and ignoring the plight of security officers—

**Sen. Joseph:** On a point of order. I thank the hon. Senator for giving way, but she is giving the impression that all that was necessary was to implement. We cannot implement legislation that was not in force. It was passed in one House, but did not get into the other. She is giving the impression that the legislation existed and all it needed was implementation.

**Sen. Dr. J. Kernahan:** Mr. Vice-President, I do not know what to say to that. It is inane. There were seven years to deal with legislation that would better the lives of thousands of workers and that is the reply he will make to the national community? How long does it take to bring it back to the Parliament and get it passed and implemented to improve the lives of people of this country?

If the Minister had chosen to deal with the issues affecting thousands of workers in this country, he would have had the authority to go into the offices of private security agencies and investigate them. Clause 9 says:

“Subject to subsection (3), the Minister may authorize, in writing, a police officer of the rank of Inspector or above...to enter an agency at any time, with the consent of the employer, and inspect or search the agency and vehicles, and examine books, records and other documents and interview the owner of the agency, security officers and other members of staff for the purpose of determining whether there has been a violation of this Act or any other written law.”

*Private Security Industry*

*Tuesday, June 03, 2008*

**Mr. Vice-President:** The hon. Senator's speaking time has expired.

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

*Question put and agreed to.*

**SENATOR'S APPOINTMENT**

**Mr. Vice-President:** Hon. Senator, before you continue, we will just deal with the matter we had deferred. A Senator is required to take the oath.

Hon. Senators, I have received the following correspondence from His Excellency the President, Prof. George Maxwell Richards:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency DANNY MONTANO, Acting  
President and Commander-in-Chief of the  
Republic of Trinidad and Tobago.

/s/ Danny Montano  
Acting President.

TO: MR. FOSTER CUMMINGS

WHEREAS the President of the Senate has temporarily vacated his Office as Senator to act as President of the Republic of Trinidad and Tobago:

AND WHEREAS the Vice-President of the Senate is acting President of the Senate:

NOW, THEREFORE, I, DANNY MONTANO, Acting President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 40(2)(c) and section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, FOSTER CUMMINGS, to be temporarily a member of the Senate, with immediate effect and continuing during the period that Sen. Danny Montano has temporarily vacated his office as Senator.

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 3<sup>rd</sup> day of  
June, 2008.”

*Oath of Allegiance*

*Tuesday, June 03, 2008*

**OATH OF ALLEGIANCE**

*Sen. Foster Cummings took and subscribed the Oath of Allegiance as required by law.*

**PRIVATE SECURITY INDUSTRY  
(UNPRECEPTED SECURITY OFFICERS)**

**Sen. Dr. J. Kernahan:** Thank you, Mr. Vice-President. This same clause 9(2) says that:

“Where, during the course of the inspection or search it appears to the authorized officer that there has been a violation of the Act or any other written law, he may seize and take away any of the books, records, documents, papers or things and retain them until they are produced in any proceedings, but where such books, records, documents, papers or things are necessary for the continued operation of the agency, the authorized officer shall be required to make copies of any books, records, documents, papers or things and return the originals to the agency.”

So clause 9(1) and (2) would have given the Minister full authority to deal with the rogue agencies that had not registered and were operating illegally. He would have been able to allow the police officers, by law, to examine their books and understand what is happening with them and to deal with them with the full force of the law if they were operating illegally.

The excuse that the Minister gave that the Ministry of National Security has no power, no remit and no control—he was so strong on these issues, it was frightening; if the Minister does not have the power, remit and control over security agencies, what power, remit or control could he claim to have over drug barons, drug lords, gang members and the criminal elements in the society? These are infinitely more serious sections of the population to deal with. If he is not even dealing with private security agencies, how will he deal with the more violent elements in our society?

In spite of the total neglect of providing protection in law for the private security agents, this administration has not hesitated to make full use of the highly-trained, highly-skilled officers in the private security industry for the Prime Minister of this country.

On page 10 of the *Newsday* dated Sunday, January 20, 2008, the headline was "Private security" and the first question asked was:

"Who are these men who have been hired to protect the Prime Minister of Trinidad and Tobago?"

**2.30 p.m.**

It says:

“The personnel from this private security firm consist, in the main, of retired policemen and former MTS guards. They have reportedly received special training in anti-terrorist activities and VIP security.”

The article goes on to ask:

“But what makes them more competent than the Special Branch police officers whom they have replaced, and who are also highly-trained individuals? Is it that the Special Branch officers have been given more important duties?”

The question is raised by the fact that, apparently the Prime Minister has employed highly-trained security officers to deal with his security issues, while the people of this country are crying out for security and protection, which raises another point; we have to connect the dots in this country.

The evolution of the establishment of a palace and an elite crack troop of palace guards is partly because of what is happening in the country. While we are mired in increasing social chaos, lawlessness and a virtual war in this country on the streets for the control of the resources of this country, and while we have a country in this condition, what you are really looking at is full speed ahead towards the consolidation of a fascist dictatorial regime. In no dictatorial fascist regime in Latin America or any part of the world, do you have democracy, freedom and security for the citizens flourishing. You have to get rid of all these things in order to establish your hold.

Wherever there is poverty, marginalization, the rich getting richer, the poor getting poorer and desperation in the society, there must be these elite crack troops that will guard the Prime Ministers and Presidents. We have to connect the dots and understand what is going on in a holistic manner. We have to understand what the indicators and the red flags are in this society, when we talk about Vision 2020 and so-called development towards developed country status. What we really have is a movement backwards to 1520, back to the Middle Ages, because of the savagery, mayhem and total collapse of the criminal justice system that we have seen and are experiencing in this country.

We have a situation where the preferred method of winning a case and walking free from the Hall of Justice, is killing the witness. This is being done with impunity in this county.

The red flags we have to look at, when we look at the crack troops that are employed for the palace, are the fact that we have in this country, parallel institutions being set up through the public service, these special purpose companies, which are spending massive amounts of money and are creating a rich oligarchy in this country that will fight tooth and nail to ensure that the dictatorship endures.

I was looking at television and “Fishermen and Friends of the Sea” had two representatives who were on Channel 6. They were making the point that they were part of an advisory group to the Ministry of Agriculture, Land and Marine Resources. And with respect to the millions of dollars that are proposed to be spent in fishing villages in Moruga, they know nothing about it, although they are part of an advisory group to the Ministry and the fisheries department.

Red flags are going up when there are crack troops guarding the palace and the fact that Parliament is being marginalized. One Senator talked about political bullying. There are joint select committees being undermined. Questions are not being answered in the Parliament with respect to the State’s spending, as we have experienced this afternoon.

Red flags are going up when we see all these paramilitary gangs holding talks with the Prime Minister, and Ministers of Government are signing secret agreements. What is the result of these secret agreements, under the euphemism of “peace talks”? What do we have? It is a total breakdown of law and order.

Children and women are on the frontline of this undeclared war in this society. There is total impunity of the criminal element of the drug barons. This is what is happening in this country, under our very eyes; while the Prime Minister employs his crack troops to guard his palace and security officers in this country are moaning and groaning under the weight of the double-digit inflation and oppressive laws which govern their terms and conditions of agreement, which are totally contrary to the ILO Convention which we have signed.

The red flags that we have to look at in this country and connect to the crack troops in the palace is the fact that white-collar crime and money laundering are conducted with impunity in this country. This is distorting the economy of our country, disrupting our constituencies and communities, causing death, chaos and mayhem. While the Prime Minister sits pretty, guarded by the most elite and most efficient troops, what is happening to our security in our communities?

Young girls 14 years old, going from school with their book bags are being kidnapped in this country. Young babies are being murdered. What is happening

to our security in our communities, while the Prime Minister uses state funds to employ his crack troops to guard himself and his family? These are the things we should be looking at in this country. These are the red flags.

When we connect the dots we would see what road we are on. We are not on the road to developed country status. We are on the road to a full-fledged banana republic in this country. This is the road we are on if the people of this country do not look at what is happening, connect the dots and make a connection between what is happening and understanding that nothing is happening in isolation.

When you see Parliament being attacked, questions not being answered and the PNM unilaterally changing the goal post, deciding what they would answer and what they would not, these are serious red flags that must go up in this country. When the Prime Minister can take state funds and dismiss the efforts of the Special Branch and the security forces which have traditionally done the work, and employ special elite forces that answer to him alone, we must connect the dots and compare it with what is happening with our security, our children and our future. We are on the road to total dictatorship and fascism in this country.

We have the example of Haiti. We see exactly where we are going when we look at Haiti, the destruction of the environment and the destruction of food security in this country. Do you know what they are doing? These security guards are not protected in law. The Government refuses to bring legislation to protect them. Instead they are telling the people: "We will increase the money on the smart card." That is an increase of dependency on the State. This is what they are going to do to advance our people out of poverty and dependency.

When we look at what is happening in Spring Village, Bagatelle, Malick and Chatham, the people of this country are beginning to understand what is happening. They are beginning to connect the dots and understand that it is no longer possible to sit quietly and allow this Government to ride roughshod over the communities. When we look at the issue of our lands, what this Government is preparing to do is, as the Prime Minister said he would do, in agriculture as he has done in energy, take our best arable agricultural lands and hand them over to foreigners, surround them with barbwire and ship all the food away to the international market. These commercial entities would do what they want with the food that they produce. This Government would not be able to tell them anything. We are going to give them the infrastructure. We have never given the farmers here infrastructure, but we are going to give all the infrastructure, give them all the roads, access roads, water and everything they need for them to ship food away from our country, while we starve and while they put an additional \$10 on the smart card.

This is what is happening in this country and this is why, when our UNC Members of Parliament made a point of employing private security officers to guard communities such as Macaulay and Felicity, the government ministers made a big hullabaloo about vigilante groups, chaos and mayhem. What we are experiencing right now is actually that. What we are trying to do, the Members of the Opposition, with the limited resources we have, is to advance the security of our citizens. What the Government is doing is diminishing the security of our citizens. They are doing nothing to motivate, inspire and help the private security officers whom we need to supplement the work of the positive elements of the police force; people who are nationalistic and who really want to see this country get back on its feet and see law and order restored in this country.

Under these conditions, we will never see security in this country. I want to steal the title of Al Gore's book on global warming, *An Inconvenient Truth*. I want to say to this country and this Parliament today that freedom, democracy, justice and security for our citizens have become "inconvenient truth" for this administration. While these pillars of social order have become inconvenient, they are therefore expendable and, therefore, under these conditions, security of our citizenry and our property will continue to be ignored. The plight of ordinary security officers will continue to be ignored and only the security officers who are required to guard the palace will be promoted and given good wages.

This is where we are. We are on the road to being a banana republic, under this administration. We have to connect the dots. We have to look at the red flags and understand what is going on in this country.

Thank you.

**Sen. Cindy Devika Sharma:** Thank you Mr. Vice-President, for allowing me to enter the debate on this Motion which seeks to argue the case for regulations governing the private security industry.

In attempting to formulate my thoughts on the matter, I needed to put some perspective and contextualize the situation. I found out that the private security industry has proliferated, grown and increased within the last 10 years, by a significant number.

I was grateful to the Attorney General for providing some information along these lines. I believe she was speaking at a consultation on security and public safety on May 03, 2008 and was reported in the *Newsday* of May 04, as saying that, as of late, there are 364 agencies of which approximately 195 were registered. That is approximately half. I compared these figures to that of 1999,

where there were only 70 agencies in existence. Obviously, this proliferation in the private security industry is indicating to the wider public that the Government, clearly, is failing in providing security for the citizens of the country. Of course, there is the widespread perception by business persons and private individuals that the police service is no longer capable of maintaining adequate control over criminal activities, et cetera, hence the need for requesting and paying for private security.

This is an indication of the Government's failure to adequately provide the fundamental rights of citizens, at least for life, safety and security, as well as offering them the option that these individuals who violate their rights would be punished.

What has happened within the last 10 years is that the character of the industry has changed and this change is probably directly linked to that increase in crime and the fear of crime being felt by individuals in society. Whereas, in the past, perhaps, these private security officers would have been hired, primarily to guard residences, private businesses and property, their role would have been a relatively passive one in those days, as opposed to now, where we find that, because of the heightened criminal activity that is occurring, there is the greater likelihood that these security personnel will be required to act in a more reactionary or proactive manner as they go out in society.

**2.45 p.m.**

This suggests that within the last 10 years, the likelihood of the public being in contact with private security personnel has increased significantly. I think today it is impossible to leave one's home to take a walk through any urban part of the country or any town, et cetera and not encounter a uniformed guard working. This increased contact suggests that there must be some measure by which these individuals who are going to be employed can be protected by regulatory legislation.

So, one of the problems that this raises is the issue of the growth of an industry which is going to be providing some measure of social control by, obviously, a non-police agency. This increases the possibility of divisions within the society being made more glaring, and it also suggests that due to the increased privatization of this area of security that the economically privileged would have access to these measures and, of course, we cannot fault them if that is the case.

However, this also means that those persons who cannot afford these services would be left to the vagaries of the State and the provision provided by the police service for their own security. So, at least, the perception exists that these private

security firms would be providing a better service, and it would only be providing it for those who could afford it. Well, the general public would have to rely only on the inferior service that is provided by the Government of the day.

In addition, there exists the possibility that these private security firms may also be operating in a manner which would expose the society to the effects of a parallel justice system. In a sense, the decisions and actions that these companies are going to take to regulate criminal activity or activities that are outside the boundaries of the law—either within the agency itself or perhaps if an officer is behaving in a manner which is improper, he or she might be fired—would be a self-regulatory mechanism that they would operate. However, criminal actions that are taking place would not be allowed to enter into the existing criminal justice system. The question is: Do we really want to sow such a development that is taking place currently? We need to ensure that such a thing is not allowed to proliferate in the society.

Another issue with regard to the private security industry lies in the exploitation of the public and the workers and the fears of both parties, because of the criminal activities that are taking place and the stress that is being faced by so many different aspects of inflation, et cetera. This exposes the wider public to unscrupulous persons or agencies who are going to, perhaps, act in a manner to extort funds or sums of money from persons who desire the service. They would also increase the existence of barricaded fortresses throughout Trinidad and Tobago, where everywhere we go people are forced to exist in homes that are completely enclosed. It is almost as if you have become a prisoner in your own home.

In addition to having these barricaded fortresses, we now have people who have access to technological devices that monitor their premises. What is happening here is an erosion of the right to privacy by citizens of the country. When we have these security agencies coming into the scenario here, what we are going to have is an industry that is going to be working without some measure of regulation and standards that are level across the playing field. These standards are obviously going to affect those individuals who are buying in and purchasing security devices so that they can feel secure that their premises are protected and their lives are protected as is the case today.

How do we ensure that the rights of these consumers are protected, as well as the rights of the workers who are on these premises are protected? The industry needs to ensure that some form of regulation takes place over its operations. Currently, the only regulation that exists is the supply and demand market forces which would probably dictate the price of the service being offered and the wages

of individuals being employed in the industry. A possible scenario added to this is that there would be agencies that could be operating on the fringes of the industry, unlike those that are operating according to the highest standards and codes of the industry itself. Unfortunately, we are going to have those companies operating on the fringes. This would mean that those companies would be offering the lowest pay rates. If they are offering the lowest pay rates, it suggests that the individual who is going to be hired to work on a job would not be associated with the highest standards of either recruitment or training that we want to have for someone who is going to be in our business or in our home and guarding our premises. This cannot be associated with the highest ethics of work. Also, this is leading us to the creation of a work environment which is leaning toward the exploitation of the worker.

From what we already know, we have an industry that employs 70—75 per cent of women, and this is a very high number. The reason it is significant in these cases is that the rights of women, in general, are going to be affected by the continued lack of supervision and lack of regulations that would provide for their protection in this case. So, we have many women being employed by this industry and offered the lowest pay rates. As my colleague, Sen. Dr. Kernahan had earlier suggested, these mothers are going to have to leave their families unprotected for long hours, and what kind of compensation they are going to be provided with if something happens to that mother. Are we certain that these companies are going to provide the necessary compensation packages if they are injured on the job? How is the family unit going to survive these unfortunate incidents? Already, we know that the family is under a lot of stress and strain.

We have many single parent homes where the mother is the sole breadwinner. Thus, we are placing increased stress on the family and on the mother. Do we really want to continue to have such an unfortunate thing happening in Trinidad and Tobago when we can easily do something about it to ensure that the rights of the workers are protected at all costs?

In addition, the issue of standards is a very critical element in the equation. We already know that if you were to become a police officer, there is a certain process and procedure that we have to follow, and we can be certain that, at least, every single police officer that we see on the streets, et cetera, has been subjected to a rigorous training programme and educational programme.

We know that there exists some detailed statutory legislation which would oversee their actions and operations. Of course, this serves to ensure the public—once everything is working properly—that there is some degree of accountability within the system. Now, the question is: Can we really say with any degree of

certainty that such measures exist within the private security industry? I suspect the answer would be, no. We cannot say that with any degree of certainty. For something so important, we need to ensure that we can attain such a high level of certainty. For instance, if a police officer is acting in a manner that is not in keeping with his duties, there should exist some kind of disciplinary measure that can be enforced on that officer.

If someone in a private security firm is acting in a dishonest way, he or she may not be faced with a similar service or similar provision and may have to face the consequence of employment termination, which is one way they could regulate something. The firm itself that is employing these individuals, how do we ensure that they are faced with some type of sanction if they are the ones who are acting slightly outside the boundaries of lawful activity? We need to make sure that if something like that exists or even continues—the probability or the possibility lies in it happening, so we need to ensure that we can put some kind of measure in place to prevent it from happening.

There should be some standards involved in regulating the behaviour of the industry itself. We need to ensure that the public is protected against these things and workers are also protected. Once there are standards in place, it means that we can trust the workers and trust that they are going to be exposed to a framework that would provide for their own safety and protection as a worker.

Now, while we accept that the possibility of a very small number of individuals operating within the private security industry might operate outside the boundaries of lawful behaviour, we also recognize that the very vast majority of them are operating within the framework of the law and are law-abiding and respectable citizens in our society. It is within the interest of these persons that the Government needs to put in place some effective regulatory mechanism.

We know that there are many agencies and many individuals working within the industry who operate by the highest of standards and who would continue to strive to meet them and who would continue to ensure that the workers' rights are protected within that working environment. However, there exists the possibility that there are those who would operate outside of these standards, and they would possibly have the effect of pulling down that level of confidence that people might have or feel in the service that these agencies are offering. It means to say that those agencies offering the cheapest services may be offering services that are of a very questionable nature.

Presently, because of the high demand, the public at large is going to be subjected to a situation where they are not really very well informed about how to go about investigating which are the best firms, and they might not be aware of

how to really judge a firm and its standards. Obviously, the main thing that they would operate by is word of mouth. You might hear from a friend who employed someone and who had a very good experience under these companies, et cetera.

**3.00 p.m.**

We need to ensure that we could provide further protection for all the consumers in this case, and obviously once people find this form of protection, I think benefits will be spread throughout the entire system, workers as well as the consumers and of course society at large. It will help protect those that have already established a good reputation for themselves within the industry itself.

In addition to the problem we have with workers who are unprecepted and are probably working under conditions of work which are not within the provisions of the Occupational Safety and Health Act (OSHA) we need to ensure that these workers are subjected to the best selection practices, we need to ensure that they have access to the best training available by the companies that employ them. How else can we ensure that the people who we are asking to provide for the security, the safety of our family, of our life, of our property, of what we own; how can we assure that they have access to the best training available? We need to ensure that something is put in place to make our agencies, these security firms act in a manner consistent with ensuring that these things take place. We need to put measures to ensure that that vacuum that is created by the lack of regulation at this point is closed.

Now, in addition to accessing good training, workers within the private security industry also need the knowledge and skill of how to operate in the best interest of the public by carrying themselves and they need, of course, to probably have training in terms of how best to act in a manner to protect people using physical skills, et cetera. Because of this we have the probable scenario today, because of the increase in crime, that these officers may be infiltrating business, may be infiltrating private homes and they do not have that communication skills, perhaps that interpersonal ability, that type of training that lends itself towards these situations. A case in point might be where we have business and we might find that the security personnel there treat with the public or act with the public in a manner which is probably bordering along the lines of harassment, not because they are not doing their duty, but perhaps because they have not been trained in an adequate fashion to deal with the public in a very sensitive manner.

Also these security personnel who are employed by the private industry are going to have access to a very high level of sensitive and private information about their clients, and if they are going to be able to function effectively and

efficiently they must be made aware of what their client's vulnerabilities are and their assets, their alarm system, how it functions, et cetera. If we know this it means, therefore, that we have to really trust that these persons who are working for us are operating with the highest ethics available and we need to protect our consumers along these lines. So, when they want to benefit fully from the services it must be in a way that we could ensure that we could trust that these people who have access to so much information, so much valuable information are the best persons, really, that we want to trust to bring into our home.

To conclude, I would like to ask that the Government seek to ensure that there exists some kind of regulatory mechanism, some kind of legislation which will best ensure that those employed in the agencies are protected, their rights are protected as workers, the working conditions that they are exposed to, that they have to operate in are in line with the OSHA; we need to ensure that, of course, the agencies that employ them, there are some sanctions that could be held against them if they do not operate by the highest standards that we want them to. The Government, itself, needs to ensure that they consider introducing this legislation so that it could bring wider benefits to the businesses and the public at large, and of course to those individuals who have to work so hard and so diligently protecting what we hold so valuable; life, limb and our property.

So, I would like to conclude, and add my own voice to the concerns raised by Members of the Opposition and I also know that Members of the Government side are also concerned about the issue.

Thank you.

**Sen. Wade Mark:** May I put on record my appreciation for the contributions made by several Senators on the Government Bench, the Independent Bench and the Opposition Bench.

There appears to be no opposition or no objection to the contents of this particular resolution. I listened to the hon. Minister of National Security, as well as the Minister of Labour, Small and Micro Enterprise Development in their contributions which I would refer to shortly and whilst there were concerns expressed, no one objected or expressed any opposition to the resolution before this honourable Senate. It means that there is in fact a consensus amongst the Senators as it relates to establishing in the shortest possible time frame standards and regulations to govern the operations of private security agencies in the Republic of Trinidad and Tobago. I would like to expressly and sincerely record my appreciation to all Senators who contributed to this particular Motion.

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This matter has been outstanding for sometime now and the time has come for us to take measures and steps in order to regulate the industry. As you know, this industry is growing phenomenally and therefore I would like to make reference very early to the contribution made by the hon. Rennie Dumas, who spoke on this particular Motion and seemed to be questioning in his contribution the total number of private security personnel operating in the industry, particularly those who are not precepted or those who are unprecepted, and it was his view that the 50,000 mentioned was not accurate—the numbers that is.

The figure of 50,000 persons—unprecepted officers—was further supported by the hon. Attorney General, who I am very disappointed in. The Attorney General has begun to adopt very bad habits, which I believe are going to land her in very serious waters very shortly if she continues along that path.

In an article dated May 29, 2008, in the *Newsday* the hon. Attorney General did in fact point to the number of persons employed in the security industry—that is the private security industry—and I quote:

“The Attorney General noted that the industry employs around 50,000 workers”—of these she said—“70 to 75 per cent are women.”

So here it is the Attorney General is giving support to the submission I made earlier, that there is in fact a large workforce out there employed in the private security industry and it is around 50,000 and 70 to 75 per cent are women in the industry.

I had also indicated that there were about 350 agencies in the industry, but the Attorney General went a step further in her article or her address to a UTT conference which was carried in the *Newsday* of Thursday, May 29, 2008; the Attorney General said:

“There were some 364 agencies as at the end of 2007 and with only 195 or roughly half being registered.”

So, we have a situation in Trinidad and Tobago where there are close to 180 private security agencies that are operating illegally in this country and those firms or companies are employing thousands and thousands of workers. I will demonstrate later on in my contribution the dangers this particular development poses for national security in this country. We cannot support the view being expressed by the Minister that his hands are tied; he cannot do anything about those companies that are not registered with the national security agency.

What we do know from Minister Dumas's contribution is that some limited intervention has been made by the Ministry of National Security to develop what the Minister described as guidelines, and I think the hon. Minister of National Security also made reference to those guidelines for persons who are applying for permission to operate a protective service agency in the country.

And the hon. Minister Rennie Dumas, as well as the Minister of National Security, went on to outline some of the guidelines that were established by the Ministry, in order to streamline those persons and organizations that are interested in becoming registered as private security agencies in the country.

**3.15 p.m.**

The hon. Minister of Labour, Small and Micro Enterprise Development attempted to skirt somewhat, the importance of supervising and ensuring that workers are properly protected, and their rights and their terms and conditions are safeguarded. He made reference to the Minimum Wages Act; he also made mention of the Industrial Relations Act, but I would demonstrate that both the Minimum Wages Act and the Industrial Relations Act, have severe limitations insofar as they relate to workers in the private security industry.

The hon. Minister Rennie Dumas attempted to hide behind the IRA and used the IRA as a means of providing some redress for the private security officers. But under the IRA, a private security officer or an unprecepted security officer is not defined as a worker within the meaning of the Industrial Relations Act, and under the Supplemental Police Act, only persons who are precepted would be in a position to join the Estate Police Association. Those who are not precepted are not allowed to join trade unions, nor is the EPA, according to a court judgment of 2004, able to represent those unprecepted officers.

There are some limitations facing those workers who are unprecepted in the private security industry. There are several workers who are in fact harassed and threatened by their employers, not to become involved in trade unionism when they join these particular agencies. As I said, the only persons that can represent these private security guards who are precepted, is the Estate Police Association, therefore, we have to look at the Minister's contribution in the context of the minimum wages law in the country.

Mr. Vice-President, do you know that today, even though we have a minimum wages law that is supposed to be protecting several categories of workers in the industry, there is a shortage of personnel to carry out such duties? You have a

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Minimum Wages Order for petrol filling station employees; a Minimum Wages Order for the catering industry; one for shop assistants; one for security industry employees; and one for household assistants. But what is the reality? In those areas where no unions exist, it is left to the Ministry of Labour through its Labour Inspectorate Division, to police and to supervise those organizations to ensure that workers and the employers are adhering to the Minimum Wages Orders. But what do we have? The labour inspectorate is grossly understaffed and ill-equipped to deal with the abuses of the law, whether it deals with the Minimum Wages Order, the Paternity Protection Law or the Retrenchment and Severance Benefits Act.

We understand—maybe the Minister of National Security can correct me—that there are 14 labour inspectors operating out of the Ministry of Labour. There were some moves afoot we understand, to employ an additional 20 officers. But what is the position today, we do not know. What we do know is that you have a labour force of approximately 620,000 persons; a unionized labour force of approximately 150,000, and therefore, you have over 450,000 persons who are dependent on the protection of the State, in order to ensure that they receive their wages in accordance with the established laws of the country. But we cannot accomplish that particular task because of the limitations and the poor numbers involved.

I am calling on the Minister of National Security this afternoon and the Minister of Finance, to indicate whether steps have been taken to improve the number of labour inspectors who are supposed to be responsible for dealing with the issue of policing and supervising the workforce who are unprotected, non-unionized. I am prepared to take my seat and allow Sen. Dr. Lenny Saith to tell us how many labour inspectors are there in the system. Our understanding is that there are only 14 today and they are responsible for supervising and policing over 450,000 workers in the country. This is a very, very serious matter because the unprecepted officers in the security industry in particular, are governed by two pieces of legislation: the Minimum Wages (Security Industry Employees) Order, Legal Notice No. 10 of 1995 and the Minimum Wages Orders, Legal Notice No. 88 of 2005.

Mr. Vice-President, Minister Dumas made extensive reference to the Minimum Wages Orders, but I want to point out to this honourable Senate that these particular Legal Notices seem to be in conflict with each other insofar as the hours of work of these unprecepted officers are concerned. For instance, in Legal Notice No. 10 of 1995, clause 4(1) states and I quote:

"Except in cases of emergency no employee shall be rostered to work for more than twelve hours in any twenty-four hour period."

So that is stated in this particular Order. It goes on to state in clause 4(2) and I quote:

"No employee shall be required to work for a continuous period in excess of sixteen hours in any twenty-four hour period."

This is what is said in this Order. What is happening is that when we go to Legal Notice No. 88 of 2005, we are told that:

The normal working day shall not exceed eight hours, exclusive of meal and rest breaks.

The normal working week shall not exceed forty hours, exclusive of meal and rest breaks.

The normal working month shall not exceed one hundred and seventy-three... hours, exclusive of meals and rest breaks.

On the one hand, we are talking about a 40-hour work week for private security officers, particularly those who are unprecepted, but covers all to them, both precepted and non-precepted, except where you have subsisting collective agreement. But there is a provision in Part II of the Minimum Wages Order of 2005, which says:

"The terms and conditions of the work including overtime rates set out in this Order, shall apply only to workers receiving an hourly rate of thirteen dollars and fifty cents or less or the equivalent thereto and such other workers whose terms and conditions are saved under this Order."

Mr. Vice-President, there is a conundrum or contradiction in these two Orders and I think that the Minister of Labour, who is not here, has to take steps to address this situation because the Government has failed those workers in the private security industry. There are no set established standards insofar as terms and conditions are concerned. I refer to things like vacation leave, sick leave and casual leave as examples. There are no organized stipulated terms and conditions in the Minimum Wages Orders of either 1995 or 2005 that would provide those officers with the kind of protection that is required.

Mr. Vice-President, I indicted to you, based on what the Attorney General had said, that approximately 75 per cent of the workers in the private security industry are single women and most of them head households.

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**3.30 p.m.**

We need to understand that there is something amiss when it comes to these Minimum Wages Orders. Some employers are using section 7 of the Minimum Wages Order, 2005, in order to deny workers their overtime, essentially. Section 7 says:

"The terms and conditions of work including overtime rates set out in this Order, shall apply only to workers receiving an hourly rate of thirteen dollars and fifty cents or less..."

So some employers are paying workers \$14.50; some are going just above the \$13.50 and are violating the spirit and letter of the Minimum Wages Order. By doing so, these employers are really providing these workers with the minimum level, even though they upped it by a few dollars, denying them the provisions as outlined in the Minimum Wages Order that deals with overtime payment and with the working hours as outlined in this particular Order.

It appears that based on the behaviour of the Government in administering the labour laws of the country, which seemed to be done more in the breach than in the acceptance or practice, there is no interest on the part of the Government in enforcing the labour laws of the country, especially where it relates to workers who are not precepted in the private security industry. I demonstrated that a short while ago by showing that the Government has only employed 14 labour inspectors in order to police a workforce that requires the support of close to 450,000 persons. Therefore, there is an urgent need to comprehensively amend the Minimum Wages Sectoral Order of 1995 for private security personnel in order to include provisions such as vacation leave, sick leave and to clearly define hours of work for these workers in this particular industry.

Mr. Vice-President, many employers refuse to honour and observe the Minimum Wages Orders as it relates to workers in the industry. It is, therefore, necessary for the Government to take action to protect the interests of those workers who are being mercilessly exploited by employers in the industry.

The Minister of National Security sought to give us some outlines of what he and his personnel in the Ministry of National Security had been attempting to do to address an issue that was outstanding. I was amazed when I read it. I listened to him, first of all, and then I got his contribution and read it. The Minister gave the impression that he was powerless. Hear what the hon. Minister said in his contribution:

"The Minister of National Security is responsible for approving applications for protective service agencies that have as their principal object, the protection of persons and property by providing guards and escorts. When their officers require precepts we again are involved. This is a fundamental concept that is being ignored by my colleagues on the other side. The Ministry of National Security has no power, no remit, no control, no involvement or no input over, or in the affairs of the private security companies that do not submit applications for approval."

I want to repeat what the Minister of National Security said to the world, that he has:

"...no power, no remit, no control, no involvement or no input over or in the affairs of private security companies that do not submit applications for approval. In fact, there is no penalty clause in the Supplemental Police Act, vis-à-vis those agencies that do not seek the Ministry's approval. It is therefore disheartening when frequent attacks are launched on the Ministry of National Security in relation to this issue..."

The Minister did not indicate to us that if he did not have the authority to rein in those loose agencies operating with no standards and regulations in this society, what he was prepared to do in the interim while he was seeking to review the legislation in order to make it compulsory for those agencies to be registered with the Ministry of National Security.

I would have thought, in the interest of national security and public safety, that the Minister of National Security would have made a categorical statement to the effect that he was going to bring an amendment to the Supplemental Police Act in an effort to make it a requirement; that it must become compulsory for any protective service agency operating in this country, through an amendment to the Supplemental Police Act, to be registered with the Ministry of National Security. I thought that was the kind of assurance we would have gotten from the hon. Minister.

The Minister of National Security and the Attorney General are all aware that there are close to 200 firms operating in this country illegally. We have no position coming from the Government and the Minister as to how we are going to treat with those agencies operating illegally in our country. [*Interruption*]

**Sen. Joseph:** They are not operating illegally.

**Sen. W. Mark:** They are not registered with the Ministry of National Security. [*Crosstalk*]

I am suggesting that the Minister amend the Supplemental Police Act and make it a requirement for them to be registered with the Ministry of National Security; that is the point I am making. I am suggesting that we take steps; I am prepared to sit—[*Interruption*]

**Sen. Joseph:** And do what?

**Sen. W. Mark:**—and ask if you are prepared to bring an amendment to the Supplemental Police Act, as an interim measure, in order to make it a compulsory requirement for all those agencies operating in this country that are not registered with the Ministry of National Security, to be registered, otherwise they would be operating illegally; and make the appropriate amendments to the regulations in order to bring those loose and uncooperative bodies under some control.

**Sen. Joseph:** Let me advise my hon. colleague that the Government is actively looking at the Supplemental Police Act to put interim measures in place—I am sure I indicated that—as we review the whole private security industry. We are looking at putting interim measures in place to do just that.

**Sen. W. Mark:** That is not giving me any comfort.

**Sen. Joseph:** What more comfort do you want?

**Sen. W. Mark:** I would like for the hon. Minister to indicate to the country that within the next 10 days he is going to come to this Parliament with an appropriate amendment to deal with the issue that we are dealing with here. I would go on to show you the dangers that these organizations pose to the country when they are not supervised and/or regulated by the Ministry of National Security through the Commissioner of Police.

The Minister must be aware that just three months ago a private security firm located somewhere on Archibald Street in Vistabella, known as Property Protectors Limited, it was reported that some seven firearms were stolen from the company's office. Those firearms that were stolen from this particular company's office, from the information I have received, are yet to be located. This is an example of firms that are operating outside the purview of the Ministry of National Security. [*Crosstalk*] I understand there are all kinds of tricks involved in this. [*Interruption*]

**Sen. Enill:** Mr. Vice-President, I just need some clarification. These are firearms, therefore, there would have been precepted officers; there would have been a requirement to either go to the Commissioner of Police or the Minister of

National Security for a licence to do that. So those that you are talking about would have been under the control of the Ministry of National Security and the Commissioner of Police.

**Sen. W. Mark:** Mr. Vice-President, the point I would like to elaborate on is that because of the lack of regulations and the lack of established standards in the industry, you have persons who are unprecepted being responsible for supervising, let us say, armories. You are talking about persons being given firearms. [*Crosstalk*] You want to believe that.

**Sen. Enill:** It cannot happen.

**Sen. W. Mark:** The police are aware of this situation. I am saying to the hon. Minister of National Security that you have some developments taking place in the private security industry which have me extremely worried. Very dangerous developments are taking place. I would like the hon. Minister to understand that you have a lot of persons out there using and carrying firearms and they do not have the necessary training to do so. They are operating in the private security sector. That is why the call is being made over and over and more and more for some degree of organized training for those persons involved in the industry. There is no systematic programme of training in place for those persons.

I understand that is now being addressed by the Minister as he seeks to deal with new legislation inclusive of training and minimum entry requirement for personnel in the industry.

**3.45 p.m.**

We are suggesting that the Minister should take steps as an interim measure to bring the unprecepted officers under the purview of the current legislation and this would give the EPA the express authority to represent those workers in question so that we can get away from this massive exploitation that is taking place among the workers by these unscrupulous employers.

Mr. Vice-President, I also want to let the Minister know that the reason we need to regulate that industry is because it is becoming very clear that some of these private security agencies seem to be more equipped and organized than the police in the country. They are not only involved in the transportation of prisoners but they are also competing with the coastguard; there are coastguard services under the private security apparatus where they escort people on the seas. So they are not only operating on the land, but in the waters of the country and, in fact, in

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many of their vehicles there is what is called the GPRS system installed, and I understand that whilst these private security organizations have been modernizing their equipment and apparatus, the Trinidad and Tobago Police Service is way behind.

So here you have a force of about 3,000—3,500 persons in this private security organization and they are very sophisticated and I think you, as the hon. Minister of National Security need to pay attention to what is taking place in the country. That is why we are calling for the regularization and standardization of this industry to ensure that agencies—even though they are equipped and might be more modernized in some instances than the police service, we are calling for greater collaboration and cooperation between the security services on the one hand and the private security services sector.

**Sen. Joseph:** I thank my colleague for giving way. Mr. Vice-President, let me assure Members of this honourable Senate, and by extension the national community that what Sen. Mark is alluding to is no longer the case. It might have been like that sometime in the past but the Government has now taken steps to ensure that the State's security services are better equipped than the private security.

What Sen. Mark is alluding to is something that existed in the past but we can boast it is no longer so. Notwithstanding the fact that there continues to be resistance as the Government puts measures in place to continue to modernize the police service and make sure that its technology is cutting edge. So what you are talking about is something that existed in the past.

**Sen. W. Mark:** The hon. Minister is indicating that it did exist and he says it no longer exists.

Mr. Vice-President, if that is so, we take the Minister's word for it for the time being, but we—

**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. [*Hon. C. Enill*]

*Question put and agreed to.*

**Sen. W. Mark:** I thank my colleague. I am always very cautious, you see, of Greeks who bear gifts, I am very cautious of such. I am afraid of Trojan horses. By the way, I am disappointed in the Attorney General of this country. I had some

faith in her earlier, but from her performance today I tell you, I think she should return to her legal profession and leave politics.

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

**Sen. W. Mark:** “Well everyone I advise gone back. Yuh see Joan gone, Joan gone and she going too, and Jeremie gone back to the university after my advice.” I agree with Sen. Dr. Saith. I think you should take my advice Ma'am.

Mr. Vice-President, this Motion really was brought to the attention of this Senate in an effort to ensure that insofar as public safety and national security matters are concerned, we take measures to protect the national interest from those agencies that continue to operate loosely in this country. Those agencies that continue to exploit in a most brutal and cruel fashion the workers of this country who are involved in the private security apparatus.

While we are not happy and satisfied with the level of security and supervision that is taking place within that industry by the failure of the Government to provide adequate labour inspectors and the operations of these agencies, I would hope the hon. Minister of National Security would, in the not too distant future, in a minimum of three months, bring to this Parliament, first an amendment to the Supplemental Police Act while he is seeking to bring new legislation to regulate the private security industry in this country.

So we should have an amendment with appropriate changes to the regulations that he has the power to change in order to ensure that we streamline and regulate the operations of the private security industry. Further, I would like to appeal to the Minister in the Ministry of Finance, my good friend, the hon. Mariano Browne, I think that the time has come—

**Sen. Narace:** I feel you like him.

**Sen. W. Mark:** He is my good friend, we have our exchanges and so forth, but he is my friend. Mr. Vice-President, I would like to request him to look at the Minimum Wages Order because there are some discrepancies in it where, on the one hand, they are saying in the 1995 Minimum Wages Order that no employer is supposed to roster an employee to work overtime unless he has the consent of that employee, because overtime under industrial relations well-established practice is never compulsory and can never be imposed on an individual in a free society and democratic framework.

So what you have is the 1995 Order saying that the employer can roster with the consent of the employee, but in the 2005 Minimum Wages Order, the employer is able to roster an employee without the consent of that employee, and that is wrong. That is why there are so many shortcomings in that particular legislation.

I also pointed out to you that the Government has introduced a \$13.50 minimum rate, and if you are getting that or less, then you will be able to enjoy the overtime rates as well as other terms and conditions. However, if you go above the \$13.50 you will not be able to enjoy the overtime rates and that is what several employers are doing today. They are exploiting the workers because they are seeing loopholes in the Minimum Wages Order that allow them to have a field day as it relates to workers' rights and freedoms and what they are entitled to.

I would also like the hon. Minister in the Ministry of Finance to look at introducing once again—and put it in black and white in the Minimum Wages Order—the entitlements of the private security officer. Just as we have it for the petrol workers, shop assistants and the household assistants, point out in the Minimum Wages Order that the private security guard is entitled to vacation leave. That must be stipulated, it is not in the 2005 Order.

I was here with Sen. Dr. Saith, when in 1994 the former Minister of Labour, the hon. Kenneth Collis, I think, brought a Minimum Wages Order that for the first time filled my heart with joy because the government was outlining in detail the kinds of entitlements these workers would enjoy: vacation leave, sick leave, casual leave, COLA, overtime allowance and all these things were outlined, but that Order was withdrawn in 1994 and a new one was brought in 1995 with all those terms and entitlements removed.

So as we speak, there is no Minimum Wages Order dealing with the private security industry as it affects workers that tells them they are entitled to vacation leave, sick leave, casual leave, or that they are protected under the maternity protection law of the country. All these things ought to be enshrined and entrenched in the Minimum Wages Order for the private security industry and I would ask the Minister in the Ministry of Finance to look at this particular matter. We are talking about 50,000 workers in that industry.

I was shocked to learn of the inequity and maldistribution of wealth and income not only in Trinidad and Tobago but in the world. One per cent of the world adults control 40 per cent of the wealth and income of the world and it was further revealed that close to 40 per cent of the adults of this world control 85 per cent of the global assets.

So what is taking place not only in Trinidad and Tobago, but the world at large, is an inequitable and misdistribution of the wealth and income of nations. And the poor—under this system we have inherited and continue to promote greater inequities and more and more misdistribution of wealth and income amongst the people, particularly those who are on the bottom end of the economic ladder.

**4.00 p.m.**

That is why I make the appeal to the Government to intervene and protect those who are vulnerable, those who are least able to help themselves, those workers in the private security industry who protect people, persons and their property, and who are in contact with valuables on a daily basis, but who are working for \$9 an hour, \$10 an hour, \$11 an hour; for \$13.50 an hour. It cannot go on.

I want to call on the Government and the Minister in the Ministry of Finance, because he is the man who can find money—I know that the hon. Minister, when he wants to buy a private jet plane for his Prime Minister, he can find money. So I would ask him to find money and make sure—not necessarily money in terms of payment to workers, but to ensure that there is appropriate policy measures in place to provide workers with the necessary protection that is required so that they can feel that they are no longer second-class or third-class citizens in the country of their birth, but they are first-class citizens in the country of their birth.

I am very happy to have moved this Motion. It is in the interest of 50,000 workers, and when you multiply that by three or five, we are talking about close to 150,000 people, or maybe 200,000 people who would be affected by the measures that are to be taken by this Government. I am going to be monitoring the Government very closely on this particular Motion. I will not be bringing a Motion under three months to follow up on it, but I can give you the assurance that within a three-month period—we are in the month of June; July, August—I want to give the Minister of National Security the undertaking that if nothing is done by September 30, 2008, I will be raising this matter again on behalf of the 50,000 workers, those who are precepted and those who are unprecepted. I will be hounding this Minister until he gets up and gets the job done in the interest of the working people, the poor, the exploited, the oppressed and those who are crying out for justice and fair play in this nation.

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

*Question put and agreed to.*

*Resolved:*

That the Government take all necessary steps to ensure that unprecepted private security guards are not exploited by virtue of the high demand for security services; and

*Be it further resolved:*

That the Government take all the necessary measures to enact into law the relevant legislation to establish the necessary standards and regulations that would govern the private security industry.

**ADJOURNMENT**

**The Minister of Energy and Energy Industries (Sen. The Hon. Conrad Enill):** Mr. Vice-President, I beg to move that the Senate do now adjourn to June 10, 2008 at 1.30 p.m., when we will do Motion No. 1 on the Order Paper by the Minister of Agriculture, Land and Marine Resources, and then conclude the Bill which was in progress when we adjourned on May 20, 2008: “A Bill to provide for the application on Trinidad and Tobago of the Hague Convention on the Civil Aspects of International Child Abduction and to provide for matters connected with or related thereto.”

**Mr. Vice-President:** Hon. Senators, leave has been granted for two matters to be raised on the Motion of the Adjournment of the Senate.

**Inflation  
(Intentions of Government to Resolve)**

**Sen. Subhas Ramkhelawan:** Thank you, Mr. Vice-President, for giving me this opportunity on the Adjournment to raise a question on inflation and what the Government intends to do with regard to inflation. I have gone on record in a previous sitting and discussed at length the whole question of inflation, particularly in terms of food security and food inflation. I have also spoken to the matter of national savings in terms of the Heritage and Stabilisation Fund.

One of the areas that I would like the Government to pay very close consideration to is this impact of inflation on savings, not at the level of the Government but at the level of individuals in the society. Ours is a very low savings rate compared to most other jurisdictions, but with particular emphasis to the East Asian countries. As we go forward, the issue is one where inflation is, in fact, causing dis-savings in our society; dis-savings in the sense that investors are turning away from saving because their real rate of return is being diminished if they defer consumption now and save for a later date.

By that I mean that if, as has been released by the Central Bank of Trinidad and Tobago in its last report on the repo rate—and this report is dated May 29—headline inflation is at 9.3 per cent and that has been the rate year on year which has come to us for the past four months, and this is with regard to April. Food inflation is 19.5 per cent—and I have already spoken to that—and core inflation is at 5.2 per cent. Headline inflation is, in fact, higher than the target inflation rate for the Government which is supposed to be in the medium term, something less than 6 per cent and for the year, something in the order of 7 per cent.

So I think the question which I would really like to raise with the Government is what it is going to do with regard to the question of savings at the level of individuals and corporations, not just at the level of the Heritage and Stabilisation Fund. I am sure that the Minister in the Ministry of Finance—not to preempt him—would bring to our attention that inflation is a worldwide phenomenon; that food inflation is a worldwide concern; that food security—and it is now receiving new nomenclature, “food sovereignty”, is a matter of concern all over the world.

But in terms of our own personal savings, if a man were to put money in the bank today and receive the highest level of interest of 6.7 per cent, and headline inflation is 9.3 per cent, it means that by putting money in the bank, by deferring consumption today for a later stage where he expects his future value to be higher, what is happening is his value is, in fact, deteriorating and diminishing. This cannot be an incentive to savings in any form or fashion. Therefore, there is need for some greater harmonization of monetary policy with fiscal policy.

I want to suggest that monetary policy has probably gone as monetary initiatives. Many of them have already been taken and there is not much more that can be done on the monetary side, because the reserve requirement which was supposed to have come down to 9 per cent, has now bent the corner and gone back up to 13/14 per cent. Open market operations are at their most extensive and as I would have mentioned before, we are going to have a significant injection of cash into the system, something to the order of about \$13 billion against our bank deposits of about \$44 billion or \$45 billion. Therefore, if that is not dealt with, the banks are going to continue to expand credit—they will have the capacity to expand credit—and, therefore, it is going to feed again further the whole notion of inflation. So I concentrate my focus and the question on, really, the whole issue of savings within the national community. It is a matter of concern.

Turning now to the whole question of the national savings via the Heritage and Stabilisation Fund, in the longer term the issue of long-term savings for the rainy day will become more and more prescient. I want to reinforce the question

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of what is the Minister doing with regard to catering for some of our long-term expenses in the form of pensions as we bail out the public sector. We need to do something about that. This addresses, as well, the question of inflation, because if inflation continues at the rate that it does, those persons who would have saved for the long term, would find that they would not have sufficient resources to meet their expenditure somewhere down the road as the rate of inflation exceeds the rate of returns on savings. That is true for the individual and it is also true for other areas at the national level.

So these are the issues that I would like the Minister to address very carefully and address the question of the harmonization of initiatives at the monetary and fiscal level to deal with this very pressing issue; I would say this cancer of inflation.

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

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. Vice-President, I would like to thank the hon. Sen. Subhas Ramkhelawan for making the point and for demonstrating that inflation is, indeed, an issue which must be dealt with and is also very much of a monetary phenomenon. Inflation, generally speaking, is the change in prices from point A to point B and generally is reflected on a point-to-point position. It is to be noted that in the last four press releases by the Central Bank, we would have noted that inflation has moved up and down over a six-month time frame. From a situation where we were faced with imminent double digit inflation, the rate went to approximately 10 per cent, came down to approximately 7 per cent—just about 7 per cent—and in the last couple of months have also demonstrated a tendency to once again rise, rising to 9.7 per cent, and for the month of April, as reflected in the last press release which was reported on, on May 30—or, I am not certain—but the press release from the Central Bank nevertheless demonstrated a fall of approximately 50 basis points or a half percentage point in the rate of inflation, reflecting that there are a number of changes which are taking place in the economy and as demonstrated, have been taking place in the international world order. The largest increase, if we look back on a historical basis for the period 1994 to 2000, it was a relatively stable period where inflation was moderate and operated at below 5 per cent, approximately.

**4.15 p.m.**

However, post 2000/2005, the number surged largely under the impetus of a generalized increase in food prices, much of it is imported. If we were to disaggregate the numbers—and it is adequately pointed out in the Central Bank's

core numbers—there is a difference between the headline inflation which includes food prices and is running currently at 9.3 per cent and the difference in core inflation which is approximately 5.3 per cent. It is a 4 per cent spread which is explained by rising food prices.

One of the critical issues, in terms of dealing with inflation that we are experiencing currently, is dealing with the issue of food prices and importantly as well, imported food prices as well as domestic food prices. Part of the reason for the decline in the inflation number is that in the short run we have also seen some decreases in the underlying domestic food prices. That has impacted favourably. The long-term position as demonstrated clearly in the literature is that the inflation we face is imported by way of food prices. Much of what we buy and eat is imported. One of the critical issues in moving forward is the expansion of domestic food crop production. The Government has addressed this in several ways and I would deal with that later.

Sen. Ramkhelawan has pointed out that the impact of inflation has some negative consequences from an expectation point of view. If we get locked into the mindset of inflation taking place, then by definition it would lead to a behaviour which will be defensive. Defensive action leads to further price rises. We have the example of price increases in taxi fares where the underlying cost of petrol and petrol products are insulated by virtue of the petroleum subsidy. There has been no direct cost increase in that particular sector, but we have seen, overall, increases in the prices in that particular segment of the economy.

There are a number of variables that one needs to look at. The critical variable or one of the critical issues in terms of addressing changes in the price levels has always been monetary policy. As a result of that the Central Bank which has acted independently in this regard has always tended to act before the curve, in an attempt to forestall the development of inflationary expectations. With that we have seen a relaxation over the last couple years in terms of the reserve requirements and we have seen the Central Bank reverse that position and increase the reserve requirements. Why? Because inflation as we have seen it also has a monetary component. We have had a fairly rapid increase in the expansion of the monetary aggregates. There has been need to isolate the increase which is coming to the marketplace and which is leading to increased demand.

On the other side of the fence, the Central Bank also has the very powerful tool of interest rates. It has used that and increased same in mild steps, so that the repo rate which is an indicative rate at this stage is 8¼ per cent. The Central Bank has maintained that rate for quite some time. The rate of 8.25 per cent is still

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below the inflation rate of 9.3, but generally close by. That will also act as a brake. You can control inflation but unfortunately, the monetary tools take a while. It is like a battleship. It is slow. By definition it takes time. That does not mean to say that all the monetary tools have been exhausted at this stage of the game.

The current reserve requirement at 14 per cent is probably, in terms of the historical average in the life of Trinidad and Tobago's economic history is still low. There have been times where the reserve requirement has been as high as 21 per cent. At 14 per cent there is still room for additional measures to be taken.

What we need to be clear of is that there is always a trade-off between inflation and growth. If one raises interest rates or alternatively acts aggressively on the side of the reserve requirements, invariably, one tends to slow down the economy. Slowing down the economy has certain negative connotations.

The same effect that we speak of with regard to the disproportionate impact by having an increase in the general price levels in terms of fixed income people, or those who are elderly and/or poor are certainly acerbated, if we also by definition slow down the economy and increase the level of employment. That in itself also has a negative connotation. Sometimes, the medicine for curing inflation has within its own difficulty—it can sometimes affect the patient negatively in the short run. It takes a while for the economy to adjust. The policy conundrum remains a trade-off between a rate of inflation which we can live with and a slow-down in the rate of growth which has other impacts, or other influences which are destabilizing in themselves. That trade-off needs to be considered.

At the moment there is and has been a form of harmonization between monetary and fiscal policies. At no stage in the game in the last eight years has the Government run a fiscal deficit. In other words, it was run on the basis of a balanced budget. By definition to run an unbalanced budget, or alternatively, a deficit, adds to the inflationary influences in the economy and tends to overheat the economy. Within the requirements of a reasonable rate of growth is also the need to balance a situation where you manage your finances. The Government has attempted to do that.

The alternatives are increasing the monetary variables or increasing the use of monetary policies by alternatively pushing up the rate of inflation. In its last press release the Central Bank has indicated very clearly that it intends to hold but will continue to monitor the situation. It has not increased the reserve requirement at this stage. It did so at the beginning of this year. It has taken reserves out of the

system or attempted to deflate the rate of growth in the system by moving the surplus out of the system. The Central Bank has done what it is required to do. It has demonstrated its ability to contain the changes in the monetary variables and has had a positive impact.

What needs to happen at this stage is an expansion in domestic production in the agricultural sector. How close are we to achieving that? The answer is, generally speaking, crops take a while to mature. The Government has spent a considerable sum of money in terms of refurbishing Caroni land and distributing land to farmers. At this stage, the last count at December 31, we had approximately 800 farmers farming on under 1,000 acres of land. Leases were offered as at May 15 and approximately 2,500 leases had been made available to farmers. Not all those leases have been taken up and it is also anticipated that an additional 2,500 leases will be made available to farmers by June 30. The target was 7,500 at June 30. We will not be able to reach that number. That will be done by December 31. We should be able to reach that number.

In terms of expanding agricultural output the necessary measures are being put into position. I also want to draw to the attention of the Senate the fact that one of the difficulties that farmers complained of is the price at which the land was being made available, the rate per hectare. A hectare is approximately 2.2 acres, the rate at which the Ministry of Agriculture, Land and Marine Resources has agreed to lease land per hectare is \$200 a year. [*Desk thumping*] For 2 hectares it would be \$400 a year.

There is no issue with regard to the price at which these lands are being made available. It is anticipated that within a reasonable period of time, provided that our farmers show the necessary initiative that there should be a change in the volume and value of food crops being brought to market, and that by definition should have a mitigating influence on the inflation rate.

There is a supply side issue. Inflation also indicates an inelasticity of supply. Essentially, we do not have enough supply coming to the marketplace, but we have the same volume of money or an increased volume of money that leads to increasing prices. That is another variable which has to be dealt with, but that variable will take time. It is slow and it requires actions on the part of other parties.

On component one, the Central Bank is in position; the monetary variables, the monetary policy and the monetary policy instruments are already being used. I will say also that that is not the end of it. The Government will bring legislation to the Senate which will increase the volume and capacity of the Central Bank to

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operate in terms of adjusting those monetary variables. Another policy instrument will come to this market and will be used. As we speak, a number of policy instruments are being considered given the sizeable capital injection which will take place from the sale of the Royal Bank of Trinidad and Tobago's (RBTT) shares and the purchase of RBTT's shares by the Royal Bank of Canada (RBC). We expect to be able to mop up the surplus liquidity which would take place at that time.

With respect to the disincentive to savers, there is always an incentive to save. There is always an incentive both from a long-term position in terms of defending your pension—not all the pension money will be invested in terms of the money market which is where rates are low. Alternative instruments need to be brought to the market. I know that Sen. Ramkhelawan is acutely aware that supply and demand considerations also exist in the financial sector.

One of the reasons that the prices of capital items, if you want, in the deposit market are depressed, certainly in the money market is because the volume of money in circulation is greater than the demand. In time that matter will be addressed. At this stage there are adequate instruments and new instruments are being contemplated which will address the issue of inflation further.

Thank you.

**National Insurance Board  
(Appointment of Chairman)**

**Sen. Wade Mark:** Mr. Vice-President, I wish to raise a matter which is of grave and profound concern to the national community. It concerns the decision by the former Minister of Finance, the hon. Patrick Manning to appoint to the National Insurance Board, its current chairman contrary to section 3(2) of the National Insurance Act, Chap. 32:01. The section reads:

“The Board shall consist of eleven members designated Directors, who shall be appointed by the Minister...

- (a) three members nominated by the Government;
- (b) three members nominated by the associations most representative of Business;
- (c) three members nominated by the associations most representative of Labour;
- (d) a person, who in the opinion of the Minister, is independent of the Government, Business and Labour, who shall be the Chairman;
- (e) the Executive Director as ex officio member.”

In 2003, the Government of Trinidad and Tobago appointed or nominated its members, three members.

**4.30 p.m.**

I have a report from the NIB for 2003 and in this report, Mr. Vice-President, the chairman of the NIB, the then independent chairman, was a Mr. Kenneth Henry. The Government had appointed its three representatives to sit on the board in accordance with clause 3(2). One of those members appointed by the Government to represent its interests was Mr. Calder Hart. His picture is here. [*Holds up a document*]

**Hon. Senator:** No props.

**Sen. W. Mark:** No props? I am just advising the Vice-President. That is not a prop. [*Interruption*] That is not your role; that is the Vice-President's role.

Mr. Vice-President, in 2004, Mr. Kenneth Henry remained chairman of the board of the NIB and Mr. Calder Hart continued as the Government's representative. However, in 2005, Mr. Kenneth Henry was removed or retired—he was no longer there—and a big picture of Mr. Hart appeared.

Now, Mr. Vice-President, let me reread this section of the Act. Mr. Calder Hart was the Government's representative on the NIB board in 2003 and 2004. In 2005, the Prime Minister, who was then Minister of Finance, chose a person. The Act says that the Prime Minister and Minister of Finance must appoint a person who, in the opinion of the Minister of Finance, is independent of the Government, business and labour, to be chairman.

Mr. Vice-President, how can we have a situation where a Member representing the Government's interest on the board in 2003 and 2004 is parachuted into the chairmanship of the board when the Act says that the person who is appointed must be independent of government, of labour and of business?

I want to let you know, Mr. Vice-President, that this is a very serious matter because it does the following:

- It generates conflicts of interest;
- It generates serious financial risks; and
- It promotes the interlocking directorship that has now become a feature of the financial landscape of this country.

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My information is that the Governor of the Central Bank is about to introduce legislation, through the Minister of Finance, to deal with the question of interlocking directorates and to ensure that there cannot be any individual who is involved in financial matters or financial organizational arrangements sitting on more than one board.

Let me, for the record, indicate Mr. Hart's position in the Government today. Mr. Hart, who I understand is missing in action, is the chairman of the Trinidad and Tobago Mortgage Finance Company, a financial institution dealing with mortgages. He is also a director on the Home Mortgage Bank, with his riding partner, André Monteil, who transferred 110 million shares to his Stone Street Capital business. He is chairman of the NIB; he is the chairman of the National Insurance Property Development Company (NIPDEC) and he is also chairman of UDeCott.

Mr. Vice-President, you see immediately, leaving out UDeCott, that there are four financial bodies that this gentleman is now involved in. His hands are involved in NIB's money; his hands are involved in Home Mortgage Bank's money; his hands are involved in Trinidad and Tobago Mortgage Finance Company and NIPDEC.

As you know, the NIB controls \$18 billion to \$19 billion worth of assets on behalf of citizens, and there are close to 500,000 persons who are members of the National Insurance Scheme. We are concerned, and the national community is concerned, that the Prime Minister and the Minister of Finance, who are supposed to uphold the law, are the biggest lawbreakers. He has violated both the spirit and the letter of the NIB Act in appointing Mr. Calder Hart to chair the NIB.

When I looked at the Annual Report 2005, I saw, on page 33, under Items 9 and 10, the following:

9. Investments held-to-maturity Government and public sector investments—\$2.4 billion
10. Originated loan Government and public sector investments—\$1.3 billion—  
—which was explained to mean loans that earn interest rates ranging from 1.75 per cent to 12 per cent and have maturity dates ranging from 2005 to 2023. This is in black and white.

When I looked at the Annual Report 2006, I observed that, since Calder Hart took over the reigns of power at NIB, missing is originated loans, which, in the 2005 report, amounted to \$1.3 billion. Same auditors; they have not changed their

auditors, and prior to Mr. Calder Hart coming on board, you could have gone to the reports for 2002, 2003, 2004 and 2005 and seen that item. With Mr. Hart's arrival, that item disappeared from the radar screen.

I went to the report for 2007 and looked, under “Notes to the Financial Statements”, for originated loans of \$1.3 billion involving the Government and the public sector investments, that has disappeared from the report. I do not know why; same auditing firm doing the accounts for many years.

We are dealing with moneys involving 500,000 citizens in the hands of an individual whose credentials are suspect. He is the chairman of the investment arm of the NIB. Is it not any wonder that we got from the hon. Minister of Finance today, in response to a question from Sen. Basharat Ali, that the NIB took US \$10 million of our money—I have paid NIS premiums every month for the last so many years, as we all did—and invested that in a paper company called World GTL Trinidad Limited. Do you know what we were told by the hon. Minister this afternoon? We were told that the board acquired 10 million, 12 per cent, redeemable, cumulative, non-voting preference shares in World GTL Trinidad Limited, at US \$1 per share on April 13, 2007. This is why Mr. Calder Hart must be removed.

The Minister went on to say that the investment met the criteria set forth in clause 1(e) of the First Schedule, which was amended by ministerial Order on April 04, 2007. So, on April 04, it was amended by Order and on April 13, the NIB invested US \$10 million of our money in a paper company. This is something that calls for an investigation and for the immediate removal of Mr. Calder Hart as chairman of the NIB. We believe that the then Minister of Finance was totally lawless, reckless and irresponsible in appointing Mr. Calder Hart when he knew he was there before representing the interests of the Government of Trinidad and Tobago.

Mr. Vice-President, I call on the Minister of Finance to explain to the Senate and to the country why Mr. Hart was appointed when the law says exactly the opposite. I call on the Prime Minister and the Minister of Finance to remove him and put, in accordance with the Act, a person independent of the Government, business and labour to be chairman of the NIB.

**The Minister in the Ministry of Finance (Sen. The Hon. Mariano Browne):** Mr. Vice-President, there are none so blind as those who will not see. Section 3 of the National Insurance Act, Chap. 32:01 says:

“(2) The Board shall consist of eleven members designated Directors, who shall be appointed by the Minister, as follows:

(a) three members nominated by the Government;”

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"Nominated by". They do not have to be representatives of the Government; they do not have to work with the Government. They have to be nominated by the Government.

“(b) three members nominated by the associations most representative of Business;”

Business has generally come to mean someone from the Chamber of Industry and Commerce, TTMA, ECA, one of those types of business associations, a business association which, invariably, nominates one of its own. He or she may or may not be a member of that association's board. He may be one of the appointments, is nominated by, meant to act in accordance with, meant to represent, carrying that sort of representative focus.

“(c) ...most representative of Labour;”

That invariably has come to mean a trade unionist; someone who is a member of the trade union movement; either the head, a senior member or someone with a history in the labour movement. These individuals are "nominated by". They do not have to come from the union. Sometimes they are trade unionists and active participants. NIB is really a tripartite arrangement where a number of people come from certain and different segments of the marketplace, who, by definition, are meant to have different interests. It is part of the checks and balances that are built into the Act. It is not a question of nominating a cabal. You nominate people who will represent interests and interest groups and on that basis and on the basis of the interplay of those interests, we arrive at what is deemed to be reasonable and sensible decisions in the interest of the country. That is what it is about. It is "nominated by".

#### **4.45 p.m.**

It also goes on to state that the executive director is also an ex-officio member; he is present at all the board committees. He is the professional. He is the guy who is also supposed to tell directors: “This is what you do. This is the way the rules are.”

The Government shall choose somebody who, in its opinion, it considers to be independent. Who was Ken Henry? Actually, he was a former civil servant. Was he not a comptroller? Yes he was. But, he was nominated on the basis of his retirement, as an independent. Because he worked with the Government Service, it did not make him a member of government. He was not a Minister or a former Minister. He was a professional, operating in his own right. We cannot disqualify

people because they have had an association, or have been part of a business association, because they have been a member of labour or because they have worked in government. The concept is that the person, in the opinion of the Minister, is deemed to be independent.

So, the Government nominates someone whom it considers as its nominee. At the time of his appointment as a director he was working as the Chief Executive Officer in the Home Mortgage Bank, which is not a government institution, by the way. It is essentially an institution like the Unit Trust Corporation, which has participants from the financial sector, across the financial sectors. It is a series of different participants. He leaves the Home Mortgage Bank. He is now unemployed and retired. We on this side and the Minister of Finance in his wisdom, deemed him to be independent at that stage and worthy of appointment to the board, as an independent member. That was the decision. To connect or to mix up the decision between GTL and his position as chairman is a horse of a completely different colour and is extending the situation completely.

The Minister of Finance does not do things willy-nilly, nor does it in a fashion which protects his interest. I am not certain what the investment in World GTL is supposed to represent other than an investment which carries a high rate of return in keeping with the mandate and, by the way, the investment profile required by the Investment Division of the NIB.

Mr. Calder Hart, as Chairman of the Board, is also Chairman of the Investment Committee. He is not Chairman of the Investment Division. The Investment Division is run by professionals, who recommend investments to the committee. The committee considers, evaluates, adjudicates investment proposals and makes representations to the board on proposals approved and the board makes a decision on the recommendation of the Investment Committee. That is how it works.

What is the investment in World GTL? World GTL is a project being undertaken by Petrotrin, as a joint venture, gas to liquids project, that is what it is; and the investment is in the form of cumulative, nonparticipating preference shares. This instrument, by definition, it is a debt instrument and it carries a coupon rate of 12 per cent, which is a strong and attractive rate of interest. What is the target rate of return of the NIB? What is the average rate on yield of the portfolio of the NIB? The yield on the portfolio is 9.08 per cent. Where is the presumption of some wrongdoing where by definition, investing in a plant which earns at 30 per cent higher than the average rate than that earned on the portfolio? What is the difficulty in that? I cannot understand that level of thinking. To carry

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it to the stage where, because the investment profile of the organization changes from year to year, to suggest that there is some wrongdoing is completely out of this world. Why would the auditors give NIB a clear and clean audit report from year to year, if it was involved in any form of investment shenanigans?

In addition, we need to be very clear on what the international financial reporting standards say. They are very clear and very robustly applied by any international firm. PricewaterhouseCoopers, as we speak, is the No. 1 firm in the world. PricewaterhouseCoopers in Trinidad and Tobago is not simply PricewaterhouseCoopers in Trinidad and Tobago that it stands separate and apart. It is subject to peer review by the PricewaterhouseCoopers Group and it is part and parcel of the PricewaterhouseCoopers in North America. It is looked at, it is evaluated and it operates in accordance with what is deemed to be best practice. So, to suggest that because one item does not appear in the investment profile next year, or last year, because it was there last year and not there this year, is to suggest that something went wrong, and it did not. If it did, and if that investment had in any way been impaired, it would have received a qualified audit report, which it did not. So, to make those allegations is completely out to sea, unreasonable and unacceptable.

**Sen. Dick-Forde:** Irresponsible.

**Sen. The Hon. M. Browne:** And irresponsible. Thank you, I missed that one. So, let us get it clear. The fact that Mr. Hart is Chairman of NIB, does not compromise his position as Chairman of TTMF. TTMF is a very small entity, in relation to the National Insurance Board and our National Insurance System. Let us understand that as well.

In addition, the point about the future legislation coming to this Parliament is to completely misrepresent the point. The future legislation of this country or the future legislation which has not yet come to this Parliament, envisages a situation where they are competing entities or competing financial institutions and that you may not hold positions in them both. Alternatively, if it is to happen, there are certain criteria. That Act has not been finalized, has not been brought to this House, has not been debated and is not relevant to what we speak as this stands. It is not law. It is something that may come. It is something that is anticipated, but it is not here.

In addition to which, this current position does not—and the existence of Mr. Hart as Chairman of the National Insurance Board—compromise his position at UDeCott and is not compromised by his position at TTMF. I want to make that

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abundantly clear. In the opinion of the Government of Trinidad and Tobago, Mr. Hart is considered to be independent and he satisfies the definition, as required by this legislation.

Thank you very much, Mr. Vice-President. [*Crosstalk and interruption*]

**Mr. Vice-President:** Sen. Mark.

**Sen. Mark:** He just gave us a “jerry”.

**Mr. Vice-President:** As you would know, the President is to be heard in silence.

**Sen. Mark:** Yes, Sir, of course.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 4.53 p.m.*

#### WRITTEN ANSWERS TO QUESTIONS

*The following question was asked by Sen. Cindy Devika Sharma:*

#### **Churchill Roosevelt Highway (Santa Rosa and O’Meara)**

- 50.** With respect to the new section of the Churchill Roosevelt Highway being constructed between Santa Rosa and O’Meara, could the hon. Minister of Works and Transport inform the Senate of the:
- (a) initial time frame for its construction and how close it is to being completed;
  - (b) number of contracts that have been awarded during its construction;
  - (c) names of contractors that have been awarded contracts by the ministry for its construction;
  - (d) amount of money estimated for its construction and the actual amount spent to date?

*The following reply was circulated to Members of the Senate:*

**The Hon. Minister of Works and Transport (Hon. Colm Imbert):** The dualling of the Churchill Roosevelt Highway from O’Meara Road to Antigua Road in Wallerfield is comprised of two Phases as follows:

## (a) Phase 1: O'Meara Road to the Pillars

(i) Contractor	Universal Projects Limited
(ii) Contract Period	14½ months
(iii) Commencement Date	June 1, 2005
(iv) Original Completion Date	August 9, 2006
(v) Contract Sum	\$74,688,078.89, VAT Inclusive
(vi) Contract Termination Date	October 22, 2007
(vii) % Completion at Termination	25%

This project involves the improvements to a section of the Churchill Roosevelt Highway from the O'Meara Road Junction to the Pillars. The length of the Highway to be improved is approximately 4.2 kilometers.

The project comprises the construction of two new westbound lanes 4.2 km long and of width 11.5m, south of the existing roadway, together with the rehabilitation and widening of the existing two lane roadway from 8.0 to 11.5 m with a raised concrete median 3.0 m wide over the entire length. The improvement works also include cross drainage structural elements and the upgrade of the major junctions and the construction of new frontage roads.

This project was plagued with delays and disputes and was more than one year behind schedule with approximately 25% of the works completed at termination on October 22, 2007. There was little prospect of satisfactory completion and it was apparent that the contractor did not possess the necessary technical, human and financial resources or experience to undertake a project of this nature.

The contractor has blamed the consulting engineers, Beston Blake Francois Limited (BBFL), for the delay in completion of the project and has accused BBFL of not supplying the necessary technical information, such as survey information and other engineering design detail, on a timely basis, or at all. The contractor's claims are being examined by the Ministry but it is clear that the contractual arrangements were unsatisfactory and unworkable. In particular, the contract prices, which are of 2005 vintage, were no longer economical and the contractor was unlikely to complete the project at these prices and more likely to embroil the project in a series of protracted claims and disputes.

As a consequence, the employment of the contractor was terminated, and new arrangements were put in place, using the resources of the Programme for Upgrading Roads Efficiency (PURE). The PURE Unit has already assessed the

work to be done, and is of the view that the project can be satisfactorily completed within a 6-month period, using one of the Ministry's Grade 1 PURE contractors. The consulting engineers, BBFL, was also relieved of their responsibilities for the design and supervision of the project, and their duties were limited to the resolution of claims on the original contract.

(b) Phase 2— The Pillars to Antigua Road, Wallerfield

(i) Contractor	Universal Projects Limited
(ii) Contract Period	12 months
(iii) Commencement Date	June 1, 2005
(iv) Completion Date	May 31, 2006
(v) Contract Sum	\$67,105,251.32, VAT Inclusive
(vi) Contract Termination Date	October 22, 2007
(vii) % Completion	5%

This project involves the improvements to a section of the Churchill Roosevelt Highway from the Pillars to Antigua Road. The length of the highway to be improved is approximately 4.65 kilometers.

The project comprises the rehabilitation and widening of the existing eastbound and westbound two lane roadway from 8.0 m to 11.5 m with a 3.0 m outer shoulder, 0.9m verge and a 1.2m inner shoulder and a raised concrete median of 3.0m width over the entire length. The improvement works also include cross drainage structural elements and the upgrade of the major junctions at Cumuto Road and Antigua Road.

Because of the very poor performance of the contractor on this Phase of the project, with only 5% completion at the original completion date, the employment of the contractor was terminated. New arrangements are being put in place to complete the project under the Programme for Upgrading Roads Efficiency (PURE). Again, the role of the consultants was reduced to the resolution of claims on the original contract. It is anticipated that the project can be satisfactorily completed within a 6-month period using one of the Ministry's Grade 1 PURE contractors.

*The following question was asked by Sen. Mohammed Faisal Rahman:*

**Police Equipment  
(Purchase of)**

72. (a) Could the hon. Minister of National Security state what specific items of police equipment have been purchased by the Government for crowd control for the period January 01, 2002 to December 31, 2007?
- (b) Could the Minister provide the Senate with the quantities and cost of such items purchased?

*The following reply was circulated to Members of the Senate:*

**The Minister of National Security (Sen. The Hon. Martin Joseph):** Hon. Senators are advised that during the period 2002—2007, the Government of Trinidad and Tobago expended \$5,610,227.48 on the purchase of crowd control items for use by the Trinidad and Tobago Police Service.

With respect to the specific details of the items purchased, Hon. Members should note that the resources assigned to various sections of the police service, are based on strategic decisions, following careful analysis of the needs of the specific area. To disclose such information to the general public is to set a dangerous precedent, and it is considered neither prudent nor in the interest of the safety and well-being of the officers, to reveal those details.