

Leave of Absence

Wednesday, February 5, 1992

HOUSE OF REPRESENTATIVES

Wednesday, February 5, 1992

The House met at 1.35 p.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Madam Speaker: Hon. Members, I have granted leave of absence to the Member for Tobago East (Hon. P. Nicholson) from today's sitting, as well as the sitting of Friday, February 7, 1992.

PROVISIONAL COLLECTION OF TAXES ORDER

The Minister of Finance (Hon. Wendell Mottley): Madam Speaker, I beg to move the following motion standing in my name.

Whereas it is provided by subsection (1) of section 3 of the Provisional Collection of Taxes Act, Chap. 74:01, that where proposals for general or supplementary appropriation of public funds are made to the House of Representatives and are embodied in an Appropriation or a Supplementary Appropriation Bill, as the case may be, the President may, for the purpose of raising revenue to meet the expenditure specified in any such Bill, by Order, provide for the imposition of any tax or the variation of any existing tax and from the date of the publication of such Order in the *Gazette*, the tax as imposed or varied shall be payable;

And whereas it is provided by subsection (5) of section 3 of the said Act that an Order varying an existing tax shall cease to have effect if the Order is not confirmed with or without modifications, by a resolution agreed to by the House within the next twenty-one days after the commencement of the Order;

And whereas the Provisional Collection of Taxes Order, 1992 was made under section 3 of the Act whereby taxes imposed by the enactments mentioned in the said Order are varied to the extent and in the manner set out therein for the purpose of raising revenue to meet the expenditure specified in the Bill entitled "An Act to provide for the Service of Trinidad and Tobago for the year ending on the 31st day of December, 1992";

And whereas it is expedient to confirm the said Order:

Be it resolved that the Provisional Collection of Taxes Order, 1992, be confirmed subject to the following modifications:—

1. Delete paragraph 3 and substitute the following paragraph:

"Chap. 11:19 3. The Gambling and Betting Act is amended—
amended

(a) by repealing section 36 and substituting the following section:

"Levy on 36(1) Subject to subsection
licensed (7), there shall be charged a
betting levy of two hundred thousand
offices dollars per annum in respect of
a licensed betting office.

(2) The levy chargeable under subsection (1) shall be paid to the Betting Levy Board by the holder of the betting office licence appertaining to the betting office.

(3) Payment shall be made by quarterly instalments of fifty thousand dollars on or before 31st March, 30th June, 30th September and 31st December in each year.

(4) No tax charged under the former section shall be due for the period 1st January, 1992 to 17th January, 1992.

(5) In subsection (4), 'the former section' means section 36 as repealed by the Provisional Collection of Taxes Order, 1992.

(6) A person who fails to pay the levy chargeable under subsection (1) is guilty of an offence and liable on summary conviction to a fine of double the amount of the levy.

(7) This section does not apply to any of the Trinidad and Tobago Turf Clubs.

(8) This section is in addition to and not in derogation of paragraph 17(2) of the First Schedule."; and

- (b) in the First Schedule—
- (i) by inserting at the end of paragraph 14(d) the words, 'including the levy payable under section 36 of the Act';
 - (ii) in paragraph 16(1) (b) by—
 - A. deleting the word 'and' at the end of subclause (i);
 - B. deleting the full stop at the end of subclause (ii) and substituting a semi-colon; and
 - C. adding after subclause (ii) the following subclause:
 - '(iii) that the applicant is in arrears in respect of the levy payable under section 36 of the Act.'; and
 - (iii) by deleting the words 'a pool' in paragraph 17(1) and (2) and substituting the word 'any'".

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2. Amend paragraph 4 by inserting immediately above the second column listing the quantum of fees payable, the word "\$ c".
3. Delete paragraph 6 and substitute the following paragraph:

"Fourth
Schedule to
Chap. 48:50
amended

6. The Motor Vehicles and Road Traffic Act is amended in Part 1 of Appendix A to the Fourth Schedule—

- (a) by deleting item 1 and substituting the following item:

"1. Class or Description of Motor Vehicles	Motor Vehicle Tax
(1) Private motor cars or rented cars, station wagons or estate vehicles	
(a) Engine size not exceeding 999 cc	\$0.50 per cc
(b) Engine size exceeding 999 cc but not exceeding 1499	\$1.00 per cc
(c) Engine size exceeding 1499 cc but not exceeding 1799 cc	\$2.50 per cc
(d) Engine size exceeding 1799 cc but not exceeding 2499 cc	\$3.00 per cc
(e) Engine size exceeding 2499 cc but not exceeding 3499 cc	25 per cent of market price
(f) Engine size exceeding 3499 cc	45 per cent of market price
(g) Passenger vehicles with a market price in excess of \$200,000.00 irrespective of engine size	45 per cent of market price
(2) Taxis and Maxi-Taxis	
(a) Engine size not exceeding 999 cc	\$0.125 per cc
(b) Engine size exceeding 999 cc but not exceeding 1499 cc	\$0.25 per cc

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- | | |
|---|-----------------------------------|
| (c) Engine size exceeding 1499 cc
but not exceeding 1799 cc | \$0.625 per cc |
| (d) Engine size exceeding 17 cc
but not exceeding 2499 cc | \$0.75 per cc |
| (e) Engine size exceeding 2499 cc
but not exceeding 3499 cc | 6.25 per cent of
market price |
| (f) Engine size exceeding 3499 cc | 11.25 per cent of
market price |
| (g) Taxis and maxi-taxis with a market price
in excess of \$200,000.00 | 11.25 per cent of
market price |
| (3) Motor Cycles | |
| (a) Engine size not exceeding 999 cc | \$0.50 per cc |
| (b) Engine size exceeding 999 cc | \$1.00 per cc |
| (4) Goods Vehicles | ‘Nil’; and |

(b) by inserting at the end the following Note—

‘Note—For the purpose of this Part of this Schedule a station wagon or estate vehicle is not a goods vehicle’.

4. Amend paragraph 8(a)(ii) by—

- (a) deleting the first two lines, and substituting the following:

‘by repealing subsections (3), (5) and (6) and substituting the following subsections:’
- (b) inserting at the end of the last line of subsection (3)(a), the word ‘and’; and
- (c) inserting the following subsections after subsection (3):

" (5) Where in a year of income a person claims a deduction under paragraph (a) or (b) of subsection (3) in respect of—

- (a) land and improvements used by or on behalf of the owner, a deduction shall not be allowed in the same year of income to that person under the same paragraph, for any other land and improvements used by or on behalf of the owner; or
 - (b) land used rent free by the occupier, a deduction shall not be allowed in the same year of income to that person, under the same paragraph for any other land and improvements used rent free by the occupier.
- (6) The allowance of a deduction under subsection (3), in respect of land and improvements used either by or on behalf of the owner, or used rent free by the occupier, does not prevent or limit the allowance of a deduction in both cases in the same year of income."
5. Amend paragraph 10 by deleting subparagraphs (m) and (n) and substituting the following subparagraphs:
- "(m) by adding after the word 'amount' in the last line of paragraph (1) under the heading 'Mortgage, Bond, Debenture, Covenant, Bill of Sale, or Warrant of Attorney to confess and enter up judgement the following (in respect of property which is or includes a dwelling house and is used wholly or mainly for residential purposes)'
- 'Do, \$1,500 for every \$250, and also for every fractional part of \$250 of such amount (in respect of property other than property which is or includes a dwelling house and is used wholly or mainly for residential purposes)\$1.00'
- (n) by deleting the word '0.05' in the second column in relation to the heading 'Policy of Sea Insurance—' and substituting the word '0.25', and deleting all the words from "For time—" to the words "distinct interest."
6. Amend paragraph 11—
- (a) in subparagraph (b)(ii) by deleting the words '0.49c.' and '9.85c.' and substituting the words '\$1.25c.' and '\$9.85c.' respectively;
 - (b) by deleting the items listed in subparagraph (c) and substituting the following items:

"87.02 Public-transport type passenger motor vehicles (excluding vehicles to be operated as maxi-taxis, imported with the permission of the Minister to whom responsibility for transport is assigned*) ... 50

NOTE: *Upon re-registration on a change of use under the Motor Vehicles and Road Traffic Act within three years of the registration as a taxi under that Act, import surcharge becomes payable at the rate of fifty per cent.

87.03 Motor cars and other motor vehicles principally designed for the transport of persons (other than those of Customs H.S. Traffic Heading Nos. 87:02 87:11), including station wagons and racing cars ... 15 Tariff

87.04 Motor vehicles for the transport of goods (excluding vehicles of a gross vehicle weight exceeding 6.6 tonnes) ... 50"

7. Amend paragraph 12 by inserting between the words 'in' and 'the' the words 'Part B of'.

8. Amend paragraph 13 by deleting items 8A and 8B and substituting the following items:

"8A. Any of the following medicines for human use—

- (a) analgesics in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;
- (b) cough and cold preparations in the form of liquids, tablets, capsules or other solid dosage forms for oral and nasal use;
- (c) antacids and antiflatulence in the form of liquids, tablets, capsules and other solid dosage forms for oral use;
- (d) laxatives in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;
- (e) anthelmintics in the form of liquids, tablets or capsules for oral use;
- (f) oral rehydration preparations in the form of salts or solutions of W.H.O./Pharmacopoeia standards.

8B Diabetic—

- (a) diagnostic testing kits and devices for testing glucose in blood and urine;
- (b) insulin syringes with needles and devices of a type not exceeding 100 units (1.0 ml) capacity, for the administration of U-100 insulin."

9. Amend paragraph 14 by—

- (a) deleting the words '\$3,750' and '\$1,050' in the third column of the first and second items of the Second Schedule and substituting the words '\$3,000' and '\$825' respectively;
- (b) deleting the word '\$400' in the third column of the third item of the Second Schedule and substituting the word '\$600';
- (c) deleting the word '\$300' in the third column of the fourth item of the Second Schedule and substituting the word '\$350';
- (d) deleting the words '\$2,400' and '\$750' in the third column of the twenty-eighth item of the Second Schedule and substituting the words '\$3,000' and '\$825' respectively; and
- (e) deleting the words '\$1,500' and '450' in the third column of the twenty-ninth item of the Second Schedule and substituting the words '\$1,200' and '\$350' respectively.

Commencement of paragraph 10 (m) of the Order.

10. Paragraph 10(m) of the Provisional Collection of Taxes Order as amended by paragraph 5 of this Resolution comes into operation on 18th January, 1992.

Madam Speaker, in the debate on the Appropriation Bill in this House on January 7, last, I outlined certain fiscal measures for the collection of revenue and for conferring certain reliefs from taxes. Many of these measures became law on January 18, with the publication of the Provisional Collection of Taxes Order, 1992.

The Provisional Collection of Taxes Act, Chap. 74:01 provides that an Order varying an existing tax, shall cease to have effect if the Order is not confirmed, with or without modifications by a resolution agreed to by the House, within the next 21 days after the commencement of the Order. This motion therefore seeks

the approval of this House for the confirmation of the Order with certain modifications. With your permission I propose to go through the modifications and with your leave, and that of the House, seek to have all of the modifications treated and dealt with as one so that they may be discussed as one.

Madam Speaker, I propose to go through these measures now, outlining some of the amendments.

Firstly, Wills and Probate Ordinance: The fees payable under the Wills and Probate Ordinance, Chap. 8:02 for the registration of a will with probate and letters of administration, has been increased, so that the maximum fee now payable in respect of estates in excess of \$1 million, is now \$500. Estates valued at less than \$50,000 will pay \$25.

Gambling and Betting Act: The Gambling and Betting Act has been amended to impose a fixed levy of \$200,000 per annum, as the basis for taxation of betting activity in the case of betting at fixed odds. The Order is now being modified to provide that the levy should be payable by quarterly instalments of \$50,000, on or before March 31, June 30, September 30 and December 31 in each year.

A modification is also being made to exclude the Trinidad and Tobago Turf Clubs from the imposition of the levy as they conduct pool betting and not fixed odds betting. That is the TOBA matter. The turf clubs pay pool betting duty on each bet under a separate provision of the Act. A modification has also been made so that an applicant in arrears of the levy may be refused the grant of a certificate or permit to carry on business under section 28, or certificate authorizing the issue of a betting office licence. That is for those who fall in arrears.

The Registration of Clubs Act and the Births and Deaths Registration Act: The Order amended the schedule to the Registration of Clubs Act, Chap. 21:01, to increase all fees by 50 per cent. Fees under the Births and Deaths Registration Act, Chap. 44:01 were also increased by 50 per cent in the Order and a corresponding increase was made to allowances paid to the Registrars all over the country.

Motor Vehicles and Road Traffic Act: I have quite a series of amendments which I ask the honourable House to work through with me as I go through them, and the explanations why we have sought to do so. In the budget presentation, I announced that the motor vehicle tax structure would be revised so that the new rates apply equally to locally assembled and imported vehicles, with an import surcharge being imposed on imported fully assembled vehicles.

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The Fourth Schedule to the Motor Vehicles and Road Traffic Act, Chap. 48:50, was amended in the Order to provide for certain rates, but we are now seeking to rationalize the structure further by making certain changes to the rates of motor vehicle tax as specified in the Order. The intention is that the rate should encourage the purchase of smaller cars. The rates vary from 50 cents per cc, to \$3 per cc, in the case of passenger vehicles with engine size below 2,499 cc. The \$2 rate is to be modified to \$2.50 for passenger cars with engine size exceeding 1,499 cc, but not exceeding 1,799 cc. Passenger cars with engine sizes exceeding 2,499 cc, but not exceeding 3,499 cc, shall now bear motor vehicle tax at 25 per cent of market price, rather than \$4 per cc as prevailed in the previous Order. Corresponding changes have been made for taxis and maxi-taxis, which will pay 25 per cent of the rate for motor cars. That is, whatever rate motor cars have, maxi-taxis will pay one-quarter of that.

A rate has also been included for motor cycles, as this was not clearly specified in the previous Provisional Collection of Taxes Order. Goods vehicles will continue to be free of motor vehicle tax. We are also seeking a modification of the Order to change references from “showroom price”, as it was in the original Provisional Collection of Taxes Order, to “market price.” This is because in cases where individuals import cars, there will necessarily, therefore, be no “showroom price” on which to make the assessment of tax. The Act contains a definition of “market price” which has been used for many years in assessing motor vehicle tax. So we feel that it will be simpler to continue using “market price” as the basis for assessing the tax, rather than “show room price”.

We move on now to National Tax Free Savings Bonds Regulations. The Order amended the National Tax Free Saving Bonds Regulations, made under the Government Savings Bonds Act, Chap. 71:41, to make provisions for tax free savings bonds of different maturities and different rates of interest.

The Income Tax Act: The Order amended the Income Tax Act, Chap. 75:01 to allow a deduction not exceeding \$200 for expenses incurred in payment of trade union fees, and to re-introduce a deduction not exceeding \$12,000 per annum, for repairs done on owner-occupied residences. Certain consequential modifications to these provisions are now proposed in order to clarify the provisions in the Order.

1.45 p.m.

As I indicated during the budget presentation, the Order also amended the Income Tax Act to increase the tax credit for net increases in Unit Trust and credit union holdings to a maximum of \$625 per annum.

Other amendments to the Income Tax Act were in connection with the introduction of the new tax free savings bonds and with the changes of upper rates of personal income tax and dividend income allowance. These have already been explained during the debate on the Appropriation Bill, as has the change to the rate of corporation tax.

Stamp Duty Act: The Order amended the First Schedule to the Stamp Duty Act, Chap. 76:01 to increase fees payable on the stamping of certain documents. I am now proposing two modifications to these provisions. The first is to the provisions governing stamp duty on mortgage deeds. At present a mortgage deed, in respect of property, which is or includes a dwelling house and is used wholly or mainly for residential purposes, is exempt from stamp duty, where the sum secured by the mortgage does not exceed \$270,000.

The Order increased stamp duty on all other mortgage deeds from 50 cents per \$250 to \$1.00 per each \$250. The modification now proposed, will charge stamp duty on mortgages in excess of \$270,000, which include dwelling houses which are used wholly or mainly for residential purposes, at the rate of 50 cents per \$250. Those not exceeding \$270,000 continue to be exempt from stamp duties—that is residences. All other mortgages will bear stamp duty at the rate of \$1.00 per \$250.

This modification is to be retrospective to the date of commencement of the Order to allow for repayment of stamp duty paid in excess of mortgages of residential property at the rate of \$1.00 per \$250.

The second modification to the stamp duty provisions in the Order is in relation to policies of sea insurance. The modification is intended to abolish the variation in the rates of stamp duty according to the period of time of the particular policy.

Miscellaneous Taxes Act: The Provisional Collection of Taxes Order amended the Miscellaneous Taxes Act, Chap. 77:01, to increase by 50 per cent, alcoholic and other beverage tax on imported beverages of non-Caricom market origin; and to increase by 75 per cent, tobacco tax, on smoking tobacco, cigarettes and cigars of non-Common Market origin.

The intention of these increases was to maintain the differential between the locally manufactured products and competing extra-regional imports. Unfortunately, this result was not obtained in the case of imported cigarettes and with the increase in excise duty on locally manufactured cigarettes, some locally produced cigarettes have become more expensive than comparative brands imported from outside the Caribbean region. We are therefore seeking to modify the Order to increase the tobacco tax from \$0.49 to \$1.25 per packet of 20 on those extra-regional imports.

The Order also amended the Miscellaneous Taxes Act to impose import surcharge on imported fully assembled motor vehicles. The Order imposed import surcharge at the rate of 50 per cent on public transport type passenger motor vehicles. It is now proposed that this should be modified to exempt maxi-taxis which are imported with the permission of the Minister responsible for transport. That is an important proviso. Maxi-taxis would be exempted, however, they must be imported with the permission of the Minister responsible for transport. In order to avoid abuse, where the vehicle is re-registered for use other than as a maxi-taxi within three years of importation the import charge will become payable.

The Order also imposed import surcharge on motor vehicles for the transport of goods—that is a previous Order. We now propose to modify this provision to exclude vehicles over 6.6 tonnes gross vehicle weight, as these vehicles, that is these larger vehicles, are not now manufactured in Trinidad and Tobago and, therefore, there is no protective issue arising. So, we will therefore exclude these larger vehicles and there will be no import surcharge on them.

Customs Act: The Order made certain amendments to the Third Schedule of the customs tariff, in accordance with the agreement of the Caricom Council of Ministers, and these are now being slightly modified for purposes of clarification.

Value Added Tax: The Provisional Collection of Taxes Order amended the Second Schedule to the Value Added Tax Act in order to remove VAT from books and selected over-the-counter drugs. The motion now modifies the amendment with respect to medicines, by widening the categories of medicines which are exempt from VAT. For example, insulin syringes with needles for administration of insulin by diabetics will be exempt from VAT along with other items.

Liquor Licences Act: Finally, the Order amended the Liquor Licences Act, Chap. 84:10, to increase, by 50 per cent, the duties payable for licences issued under that Act. We are now proposing to modify these provisions by reducing

duties payable by spirit retailers to the same level as those payable by spirit grocers; and by equating the fees payable for spirit grocers in San Fernando with those in Port of Spain.

Madam Speaker, this is the full list of amendments. I therefore ask that the motions 1 to 6, standing in my name, be adopted.

Thank you.

Question proposed.

Mr. Basdeo Panday (*Couva North*): Madam Speaker, even at this late stage, I believe it is our duty to invite the Government to review its policies instead of proceeding to approve the various amendments to the Orders.

What I have to say applies mainly to the motion to approve the amendments to the Excise Duty (Petroleum Products) Order. This is the Order in which the price of gasoline had been increased by an imposition of excise duty.

Since the announcement that the price of petroleum and petroleum products was to be increased, or had, in fact, been effectively increased, there have been certain consequences flowing from that which, in our view, will add to the hardship of many poor people in the society—to the society as a whole, as a matter of fact.

1.55 p.m.

Madam Speaker, I refer to the Excise Duty (Petroleum Products) Order 1992, which raised the price of premium gasoline, regular gasoline, domestic gasoline. You will recall that when this matter was debated in the House the hon. Minister at one time said that this is going to result in an increase only of about one cent a mile, and he corrected himself later and said ten cents a mile. I understand the arithmetic. That is typical PNM arithmetic. One from ten leaves nought. We have heard that sort of thing before, so that one from ten leaves nought and one really meant ten, and whether you had the zero or not, did not matter. The truth is, this increase has had an impact that is going to result in a deterioration of the economic situation in Trinidad and Tobago. That has been the experience in the short period that the price of gasoline has been raised.

In fact, Madam Speaker, within that short period, the newspapers have reported tremendous increases in taxi fares. I am inviting the Government at this stage, instead of approving this Order which is before the House, to withdraw the motion, and reconsider its position, further amend the Order and then return to

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this House for approval. That is the gist of my argument and the reason for that argument, as I say, appears from reports coming to us from the newspapers.

Madam, I am sorry, I was told by a former Speaker of this House, the hon. Mr. Thomasos, that while I am on the floor I may refer to my friend as learned colleagues, that is perfectly permissible—if that is the case then by extension, I can refer to Madam Speaker, as My Lady—

Madam Speaker: I can assure the hon. Member that I will take no offence by that.

Mr. B. Panday: So by extension Madam, you will forgive me when I lapse into my old court habits.

Madam Speaker, I refer to page 4 of the *Express* of February 4, 1992, headlined "Pepper Village residents protest hike in taxi fares":

"The residents of Pepper Village and Gran Couva yesterday staged a placard demonstration in protest of a hike in taxi fares. Villager Raymond Gajardhar said that the people of the village were very poor and could not afford to pay any increases.

The fares rose from \$2.50 for school children to \$3.00 and adults' rates were increased from \$3.00 to \$3.50 effective February 3. Another villager, Nankumar Baal said that he now has to pay fares of \$60 per week to send his two children to the Carapichaima Junior Secondary School. At the old rate, he paid \$40.

Pepper Village lies eight miles from Couva and a number of private cars ply the route in addition to two taxis. Villagers pointed out that up to eight school children travel in one vehicle and that after 5.00 p.m. taxi drivers charge up to \$10.00."

Madam Speaker, we have seen what the result is of having children travelling in taxis. I think we have had two cases recently in which school children died, because vehicles which were transporting school children got into accidents.

This articles says:

The 'PH' drivers, they claimed, were holding them to ransom. A bus service to the village was discontinued since October and more private car owners joined the taxi trade.

Eighty per cent of the villagers work at the three agricultural estates that lead to Tabaquite from Pepper Village: La Vega estate, San Juan and San Antonio estates employ the villagers at \$30 per day for male employees and \$24 for females."

Apparently we still have that in this country where our women are being discriminated against. I see the other side doing nothing about it. We have talk and lip-service and all that but right under their noses women are being discriminated against. We have women who sit on the other side and say nothing at all but we expected that because we said during the elections that personally those going up for elections did not matter, it is just the policy of the party to which they belong—I bring this to show you that the hon. Minister was not right. If the hon. Minister in imposing this excise duty and increasing the price of gasoline, was under the impression that the rates would be increased by a certain amount and it turns out that in fact, he is wrong, then he may want to change his mind and instead of confirming this Order, he may want to revise it.

That is the news that is coming out from one village, Pepper Villager. There is another article that appeared in the *Sunday Express* of February 3, page 10:

"Motoring under the Budget: An Update. The dollar mile".. Mottley starts mix-up over how much it costs to drive each mile:-

and that article says: Cent, eight cents, ten cents,dollar? It reminds me of an advertisement. I am so sorry that my hon. friend from Tobago East is not here because I understand that his party was responsible for putting that advertisement in the newspapers in the run-up to the election, the "dollar wine" advertisement. One advertises it before the election and the other practises it after the election. This article says:

"Two weeks after the 1992 budget jacked up the price of gasoline, Government and oil industry experts are giving conflicting estimates of how much more it will cost individual motorists for each mile they drive. Finance Minister Wendell Mottley started the 'dollar mile' mix-up when, in winding up the budget debate, he made headlines with an estimate that it would only cost motorists one cent more a mile.

Days later, Energy Minister Barry Barnes said that for a licensed taxi driver the increase would be 1.6 cents per mile. And private car owners, the new cost calculated would be eight cents per mile, two cents less than the Finance Minister's calculation. Minister Barnes later told the *Sunday Express*

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“he calculated that it will cost maxi-taxi drivers two cents more per passenger mile, and the Public Transport Corporation 0.1 cent per passenger mile.

He said that the price hikes reported in conventional taxi fares did not correspond with the 46 cents a litre increase in gasoline imposed by the budget.”

I thought it was a rather unfortunate remark when he went on:

“He charged that taxi drivers used the opportunity of a gas increase to hike their prices to offset maintenance and other costs”.

If that is the case, we expect that the hon. Minister responsible for Consumer Affairs would be taking a very serious look at this, because surely that is the function of this Ministry: I have not heard or seen any action that relates to what the Government claims is an unjustifiable hike in prices. We are not saying that that is unjustifiable, having regard to the price; we have not calculated the cost.

2.05 p.m.

However, Madam Speaker, the article goes on to say:

“Nobody, it seems, could agree about how much more it will now cost motorists for each mile of driving, for that matter, how many miles car owners will get per gallon.

The oil industry sources estimate 30 miles per gallon; Energy Minister, Barnes, 25, local motor car magnate Robert Amar, 40, but this Amar said is relative to the driver and of course, traffic.”

The Minister may want to revise his figures of the actual cost per mile to the consumer because of his increase in the price of gasoline. Whatever his calculations are, the fact remains that the reality outside is something else.

I refer to the *Trinidad Guardian*, page 3, January 28, 1992, which states:

"Maraval taxi fares to increase

Maraval maxi and taxi fares will be increased as of next Monday, February 2. The Maraval Taxi and Maxi-Taxi Driver's Association says taxi fares will increase from \$2.00 to \$2.50, while maxi fares will increase from \$1.50 to \$2.00.

Taxi fares along the Cocorite/La Horqueta Road will also go up. The new fares will be as follows: Arima to Churchill/Roosevelt Highway—\$2.00;

Arima to Manuel Congo Road—\$2.50; Arima to La Horqueta—\$3.00; Sunset Drive to La Horqueta—\$2.50; all off-route drops—\$1.50 extra; Churchill/Roosevelt Highway to La Horqueta—\$2.00; La Horqueta to Arima—\$3.00; La Horqueta to Sunset Drive—\$2.50; all short drops—\$2.00; school children in uniform (short drops)—\$2.00; Arima up to the highway—\$3.00".

So that, the Minister's calculation seems to be totally unrelated to the objective situation, that is to say, what is in fact happening to consumers. Surely, the Minister would have taken into consideration that this is likely to be the effect. Having been shown to be the effect, before he seeks confirmation of this Order, we wonder if he wants to revise it.

Page 19 of the *Express* of January 29, 1992 states:

"Hike in taxi fares

South Trinidad taxi drivers have raised their fares due in part to the increase in the price of gasoline in the 1992 Budget.

The Williamsville-Hardbargain Taxi Drivers' Association has announced the following increases effective from January 27, 1992. The trip, from San Fernando to Union, from Marabella to Williamsville and Ben Lomond, and from Hardbargain to Reform have increased to \$3.00.

From San Fernando to Harmony Hall or Reform, and from Hardbargain to Norman now costs \$3.50. Also the fare from San Fernando to after Isaac Junction and from Marabella to St. Julien & Dyers Village has gone up to \$6.00. The Association said that effective from January 27, all short drops including school children, will be \$2.00."

So the point I was making still obtains, that on the one hand, you have removed VAT from school books, on the other hand, you have raised the price of fares to get them to school. It seems to be a kind of weird logic in what the Government does, a very weird logic indeed. It cares with one eye but it does not care with the other eye; it is caring with one hand and uncaring with the other, that is because they probably have too many economists advising them. There is somebody I recall who said, "Oh, Lord, how I pray for a one-handed economist. Every time I ask an economist his advice, he tells me, 'well on the one hand, if this happens, so and so will happen and on the other hand, that is likely to happen.' Praise the Lord for a one-handed economist. Nothing will happen on the other hand". This probably is the position with the Government.

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The *Express* of January 30, 1992, states:

"Finance Minister Mottley said yesterday the cost of travelling to the individual motorist was 10 cents a mile as a result of the increase inI regret to mislead the population...."

Fair enough, no problem about that. That is nothing new. I expect to hear that very often coming from the other side over the next 3 years. You notice I did not say 5 years.

Trinidad Guardian, Tuesday, January 28, 1992, page 7:

"Gas rise leads to increased taxi fares

The increase of the price of gasoline has triggered off the hiking of taxi fares throughout the country.

Effective from last week, the travelling public in the La Brea area had to fork out \$1.00 more to travel to San Fernando.

The price now stands at \$6.00 to and from La Brea, \$4 from Oropouche Junction to La Brea or San Fernando and vice versa. It is expected that the Point Fortin and Fyzabad taxi drivers will follow suit shortly.

The Hardbargain Taxi Drivers' Association have also announced an increase in their fares effective January 27"

And so it goes.

Express of January 24, 1992, page 4, states:

"Maxi taxi fares from 'Grande to Arima to go up.

The maxi-taxi drivers are increasing transportation fares because of the hike in price of gasoline announced in the 1992 Budget. Sangre Grande to Arima now costs \$3.00 and all short drops, \$1.50; Arima to Sangre Grande..."

Express, January 24, 1992, page 5, "Taxi fares on the rise." *Express*, Thursday, January 23, page 3, "Hike in Taxi fares." This time Curepe to St. Augustine, Tunapuna, El Dorado, where the fares have gone up significantly.

I make this point to invite the Government to look at its policy again and to see whether, maybe in its haste—I think there was some talk about the Government being pressed for time and it may have made more errors than it anticipated. Otherwise, the budget would not have been so contradictory in its effect.

2.15 p.m.

As a matter of fact, there is an article that appeared in the *Sunday Express*, of January 22, 1992 on this whole issue of transport which is very interesting. It says, "Some of the people fooled this time", an article by Mrs. Donna Yawching. I quote from this article, because it is the way we feel:

"On the most simplistic level, virtually everything we buy needs to be transported from A to B at some point in its life cycle. A steep rise in gas prices means a correspondingly steep rise in transport costs. And who is going to cover these costs, if not the poor fish at the end of the line, the consumer. Not to mention the fact, of course, that it will now cost the average workers more to get to work, but his pay cheque, when he gets there, is not likely to be any higher."

This article goes on to say:

"So it is hard to understand why that amorphous mass commonly referred to as 'the people' have greeted the budget with such euphoria. There is little in it that promises them a better life, and much in it that whittles away the very few pleasures they might previously have enjoyed.

There is no indication of more jobs or better social services, no major tax break or significant handouts. Nevertheless, they are elated. I gather because they believe that the PNM has kept two of its campaign promises; namely, removing VAT on school books and honouring the court award regarding public servants. This is what I mean by 'fooling all of the people some of the time'.

The truth and the irony behind consumption taxes such as they are, now levied on gas, *et cetera*, is that they always hurt the poor far more than they hurt the affluent. The wealthy man will not even notice the extra 50 cents on a package of cigarettes or a litre of gasoline and it will not force him to make any painful choices, but for the poor man, every dollar of tax paid out of his dollar, there is less in his pocket to feed his family."

I mention that only because I noted the other day—I am sorry that my friend from Laventille West, for whom I have the greatest respect, is not here. He was bemoaning the fact that everybody is now speaking for the poor man, everybody is now speaking for the person at the bottom of the ladder. Well, why should they not if budget seems to hit them most and hit them hardest, while you cry crocodile tears over their suffering and their grief? It is meet and right that we

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should point that out. So that, Madam Speaker, these are some of the effects that are taking place.

The Government's argument, as I understand it, is that taxi drivers are unreasonable, they are raising their prices more than they ought to. I say, if that is the case, then the consumer protection division of the relevant Ministry has a job on its hands, and that we expect it would be doing something about it.

There is another side to this beside the travelling public which is of grave concern to the economy of this country. I have chosen this topic gasoline, because over the past week or two we have had several delegations coming to us and they have asked us to raise the matter and we do it as our duty. It concerns the fishermen of this country. We have had three or four delegations of fishermen coming to us and telling us that because of the increase in fuel to them, many will have to go out of the fishing industry. If they do, then that is going to be in total contradiction to several objectives of the budget. The government must look at this question of gasoline if it is really serious about the other aspects of the budget having the desired effect.

One of our experiences has been that these fishermen who came to us in the last couple of days—before I go on, I received a letter so I might as well read it, because they have sent me a copy and I imagine they sent me a copy because they knew that the hon. Minister to whom it was addressed would do nothing. It is addressed to the Hon. Dr. Keith Rowley, and it is dated January 23, 1992. It is from the Ortoire Fishermen Organization, Ortoire Village, Mayaro, and it is signed by Gregory Prevatt—all in the family. It reads:

“We congratulate you on your appointment as Minister of Agriculture and wish you every success in your position.”

So do I.

“My organization was able to establish a working relationship with your Ministry . . . We are of the view that the development of the fishing industry and indeed of any industry must be done through a process that involves the people who produce.”

So you see the backlash has started. These are the caring people, the consultation and so forth, which I have found so far to be the essence of “mamaguy.” I will deal with that at another level. But this letter to the hon. Minister says:

“The fishing industry is central to this . . .

meaning the development of the economy,

“ . . . since fishing takes place all around the coast, and therefore the economic and social well-being of many communities, particularly rural communities, is dependent upon the well-being of the fishing industry.

Sir, due to the increase in the price of gasoline and other petroleum products in the recently presented 1992 budget, the fishermen of Mayaro, Guayaguayare, Manzanilla area find it almost impossible to operate. As you are aware, the cost of gasoline is a very large factor in the overall expenditure of fishermen. Further, given the nature of the fishing industry, our incomes vary substantially. Any substantial increase in the price of gasoline, will, therefore, have a huge effect upon our viability and CNG is not an option for fishermen.

We would like, therefore, for you to look into this matter and we request an urgent meeting with you.”

If they had a meeting, they are luckier than some other people who came to us who went to one of the Ministers for a meeting and the Minister told them about April or May. Before the elections they were totally accessible and totally available. The moment they get into power, they are inaccessible to the poor; they are inaccessible to fishermen; they are inaccessible to people who have grievances. But I will come to that.

We have had a meeting with the fishermen of Claxton Bay, Orange Valley, Carli Bay and Brickfield, and we have been told that on one fishing trip—these are the pirogues, the fishermen are actually divided into those with small boats and those with larger boats and so forth—and insofar as the pirogue fishermen are concerned, those who use fillet, mostly from the Carli Bay and the Orange Valley area, they go out in the night in a pirogue with two, sometimes three men and they have experienced in fuel alone, a 45 per cent increase in their costs. In one trip they use about 30 gallons and it used to cost them about \$100 prior to the budget.

Mr. Valley: Madam Speaker, if the hon. Member would give way, I just wanted to find out from him how in the light of a 30 per cent increase in gas price, is it possible for these people to experience a 45 per cent increase in their fuel cost output.

Mr. B. Panday: Oh, I see. It is petroleum and petroleum products and these boats, I understand, do not only use gas, but maybe, I bow to your superior

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knowledge that they go without oil and that, if that is what you tell me. I am always willing to learn.

They actually use three quarts of oil per night. They have had a 45 per cent increase of costs; that is the information they have given me. The Government has said in its budget that the agricultural sector, the sector that deals with food production, is supposed to be a major plank in its diversification programme. That is what the Government has said, I do not think they deny that, and they say that it is also a plank in conserving foreign exchange and job creation. So that if fisheries, which is part of agriculture and food production, is going to be a major plank in your diversification programme in the saving of foreign exchange and in job creation, then you ought not to take action that results in just the opposite effect.

Fishermen are peculiar people in that they go out to fish and for one reason or the other fish is not biting and they come back without fish. It means that they have not been spared the expense of rigging a boat to go out at night. Therefore, if you really want to promote agriculture, fishery food production and that sort of thing, then you have got to look at specific areas and introduce measures that promote that area, which would be totally inconsistent with other areas. Fishermen have peculiar problems; they incur costs by going out, they may catch nothing, so there is no income. Then they go out again and, therefore, when they put their income over a year they become non-viable.

The fishermen from Orange Valley, who are trawler fishermen; they use bigger vessels. I understand they use 1,500 gallons of fuel per trip. That is an extremely high input into their costs. They have all indicated to us that they are unlikely to be able to survive in the industry.

The hon. Minister was asking, how come, with a 30 per cent increase in gasoline their costs went up? I am told they pay for pitch oil, ice and so forth that have to be transported; a series of transport costs, inputs into the cost of fishing. So the total impact of the budget, I am told—this is what they tell me, if you do not believe them, you must tell them that they are lying. They would love to hear from you. When we asked them what the impact of costs was upon them, we were told their average expenditure had increased by more than 50 per cent. That is the total impact of the budget with respect to the larger fishermen; that is those who use trawlers.

Before I go to the larger fishermen, my colleague has drawn to my attention a point that was raised by them, and that is I ought to take this opportunity to bring

to the attention of the Ministry of Agriculture, the fact that whereas the Ministry of Fisheries prior to 1988, every three months paid a 13 cents per gallon rebate on gasoline; since March of 1988, the Ministry stopped that payment of rebate on the grounds that they had no funds. I was asked to bring this to your attention so I thought I would do that.

The bigger point I wanted to make was the one with respect to the trawlers. Not only have the trawler fishermen also experienced a similar rise in cost, but the Government seems to discriminate in favour of foreign fishermen, which brings me to the point that they made in the budget and that is why this motion is before the House, to implement the budget: The Government said that our producers must become competitive with other producers in the rest of the world. But I am told that foreign fishermen, particularly the Taiwanese fishermen, are given a rebate on VAT for gasoline, but local fishermen are denied that rebate on the ground that their income is not \$120,000 a year and, therefore, they do not have to file VAT rebate documents. But the Taiwanese fishermen who have done that—somebody's grumbling something in the back, the Member for La Brea is grumbling in the back, I am always willing to listen. I think the La Brea fishermen are also involved. I hope he takes up their case. If he does not, that is why we are here, in any matter. We shall go down to La Brea and deal with the fishermen there, of course; this is our duty.

We are told that Taiwanese fishermen, as I say, are treated favourably, as opposed to our own fishermen, and we think we should bring this to the attention of the Government, if they are serious about making our fishermen competitive with foreign producers. But that is only symptomatic of a Ministry of Agriculture that really does not care at all about dealing with the question of agriculture in this country and that is, of course, because they are in the pockets of the food import lobby, and we know who the food import lobby is. Those are the conglomerates.

The conglomerates have admitted to supporting the PNM and the NAR in the last election. That has come out. Now, clearly we know who was paying the piper. It is now absolutely clear who was paying the piper, so we know that who pays the piper calls the tune and it appears that they have been calling the tune for a very long time and they have been calling the tune particularly in the Ministry of Agriculture, where because of the power of the food import lobby, they stifle agriculture so that aspect of the economy can prosper. What else explains the fact that one fisherman told us that he has been trying to import a trawler for over one

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year now. The Ministry of Agriculture refuses to give him a licence, but one of their friends—I do not want to call names in this Parliament, because when you call names, the person outside does not have a chance to defend himself, and the best place to call it is outside. But if my friend insists that I call the name, I will call the name but it is because then I would have a duty. The point I am making is that one of their friends brought in a trawler in March of 1991 without licence and is fishing—*[Interruption]* John Lanza; you see, you should not ask me, I told you not to ask me. That is the corruption that goes on in the Ministry of Agriculture. It is a Ministry that is designed to frustrate the budget, because if the object of the Minister of Finance, as he says, is to diversify the economy and agriculture is one direction in which the economy is to be diversified, then you have a Ministry of Agriculture that succumbs to the food import lobby and frustrates the promotion of agriculture here. You cannot escape that. As long as the Government of this country is in the pockets of the conglomerates, that is going to be the result.

I am glad the Minister of Laventille West is here now. I have great respect for him, he knows that. I think his heart is in the right place. I admired tremendously the statement he made the other day when he said that his ambition is to delink the people of Laventille from dependency syndrome. I want to tell him that there is no greater objective he can achieve than that, and I want to offer him my wholehearted support in that regard to help him to do that. That is extremely important. I also want to tell him that his colleagues will not permit him to delink them from the dependency syndrome, because it is the dependency syndrome, because it is the dependency syndrome that keeps them in power. That is going to be your difficulty, but I will help you. I am willing to help you. Come any time, day or night, and I will work with you in the area. As a matter of fact, I plan to work there whether you like it or not; work in the Laventille area, if only to expose the Minister who says he wants to delink them from the syndrome but cannot.

My point is that he cannot delink them from that syndrome as long as the Government is in the pockets of the conglomerates. The conglomerates are the ones that influence the decisions on agriculture. We cannot diversify the economy. All these provisions that we are putting in the budget here will be of no use. It is only to raise taxes which will fall on the people but it will not diversify the economy because the conglomerates do not want the economy diversified in that way.

My friends know that within two weeks before the election the PNM received 23 cars rented from a certain company. The people who rented those cars and gave them to the party did not do that because they think the leader is good-looking; I mean that is true, but that is beside the point. They were paying the piper. That company is now involved in BATA, and when that one cracks, you will see the power of the conglomerates.

If we are going to achieve our budget goals, then I suggest there be a thorough investigation into National Fisheries. I am sure that if the Government is serious about dealing with diversification of the economy, as it relates to the fishing industry, it will get much information.

When the fishermen came to us, we told you they raised certain matters with us, and we feel it is relevant. It is relevant because, as I say, these provisions which are put forward before us today are provisions to implement a budget that has certain objectives which have to do with diversification, and therefore, the plight of fishermen in this country would be important.

The fishermen from Carli Bay, the whole West Coast area, have asked us to bring to the attention of the Government the whole question of dredging so that they can do their trade. If we can promote the fishing industry, we not only promote the economy, we save on foreign exchange, we create jobs, and here is a case where we do not have to spend foreign exchange in order to gain foreign exchange. Many of the screwdriver industries which import all of the raw materials assemble them and ship them back out, really do not add very much to the reserve of foreign exchange, because you need an enormous amount of foreign exchange in order to produce the product in the first place before export. But here is an industry in which you do not have to expend foreign exchange and you can gain enormous foreign exchange, which is part of all these provisions that we are dealing with here today. But you cannot hope to gain foreign exchange from things like the fishing industry unless you provide them with the infrastructure.

I am saying that it is the conglomerates' decision that prevents this infrastructure. They gave me a problem about dredging. In 1985 or 1986, the Orange Valley fishing port was dredged, is silted up in a year, and they have been making representations since then. They made representations to Minister Myers, who was the Minister of Agriculture. Sometimes I am really sorry that all of them lost their seats. I would have liked a few of them to be here so that I could point out to them the manner in which they treated people.

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I recall that the fishermen of Orange Valley had called me down there to see their problems. When Minister Brinsley Samaroo, who was Minister of Agriculture, heard about it, he rushed down there and said, “Do not deal with anybody from the Opposition, they cannot do anything. I have come to solve your problems”. Brinsley Samaroo went down there he saw, he left and he ignored. He rushed down there and told them that they had consultants dealing with the matter. There have been consultants from Canada, Italy, the United Nations with respect to that dredging and they are all now in the Fisheries Division of the Ministry. Just permit me to quote what they have told us on this question:

“They have to walk more than a mile from their boat in mud up to their knees in order to bring their catch out.”

To quote their own words—

“We, the members of the above co-operative...”

the Carli Bay Co-operative—

“refer this matter to you, dredging. Dredging or clearing of the channel of the channel leading out our fishing centre, this is a big setback to our trade. Sir, when the tide is low and we come in on mornings with our catch, we cannot reach further than the mouth of the channel. The vendors usually wait at the fishing centre to purchase our catch, but we cannot reach them and they usually go to other beaches to purchase. When the tide rises and we come in, there is no one to purchase our catch, so we have to go to Orange Valley and sell it at half the price. Our engines take up silt and sand and it causes us great expense ...”

These people have been putting their complaints to the Ministry of Agriculture for years and there has been absolutely no response. The Minister cannot talk about promoting local industry. I recall the hon. Minister saying during the budget debate that as our debts were getting higher, there were fewer and fewer resources to pay them.

Motion made, That the hon. Member’s speaking time be extended by 30 minutes. [Mr. R. Palackdharrysingh]

Question put and agreed to.

Mr. B. Panday: I thank you Madam Speaker, and I thank the Members of this honourable House.

I think I was making the point about the plight of the fishermen with respect to fishing, and I was saying that the hon. Minister in his budget speech rightly said that our foreign debt is getting larger but the resources which we must use to generate funds to pay it are getting smaller and smaller. That is correct; first of all, we have less and less people employed, less and less of our resources are being put to work; more and more of our resources are going idle. Is this not a case where you can increase the resources available to you, expand those resources to generate the income necessary to pay the foreign debt? Is that not what it should be? But how can that be, when you deny them all the facilities for expanding the fishing base and therefore the income base for foreign exchange?

There are fishermen who complain to us of being robbed on the beaches in the morning and at night when they come out because there are no street lights, there is no security, there are landslides, they have no boat repair shed, the retaining wall is collapsing, there are no toilets. Theirs is a catalogue of woes, Madam Speaker.

2.45 p.m.

When we look, therefore, at what the Government says, on the one hand, and why it does, on the other, we cannot but come to the conclusion that even though it may be well-intentioned, having found itself locked in the pockets of the conglomerates, it cannot do anything to this economy. They cannot do anything about it. I see the Minister is looking at me with a little cross-eye.

Mr. Valley: I am not thinking about you.

Mr. B. Panday: Is he denying the statement of Mr. Jackman, that he poured enormous funds into his party?

Hon. Member: As well as the NAR—both the PNM and the NAR.

Mr. B. Panday: He did it as a public service, he says. It is a public service to support the PNM and the NAR. It is a public disservice to support the UNC, of course. These guys know on which side their bread is buttered.

Madam Speaker, I say this because I come to the other dimension of this budget, and it has to do with the motion with respect to Caricom import duties. Something has come to our attention, which we ought to bring to the Government because these duties of imports from Caricom are also matters which are now before this House. We thought it relevant therefore, in considering this provision, to bring to the attention of the Government the situation as it applies to tyres, and

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the import of tyres, as it relates to the Caricom. The problem was really brought to us by the Tyre Recappers Association who informs us that when Minister Ken Gordon—so I am not blaming the Government for everything—not yet.

Hon. Member: Another Ken.

Mr. B. Panday: Another Ken! Gordon.

Mr. Valley: Your former colleague.

Mr. B. Panday: Erstwhile! When Mr. Kenneth Gordon was ruling the roost, so to speak, in the Ministry of Industry, Enterprise and Tourism, he introduced a provision which banned these tyre recappers from importing tyres from the United States, and insisted that they buy Jamaican tyres, but the sole agent for the Jamaican tyres was Neal and Massy. I am not blaming the present Government, I am only blaming them for persisting and keeping that situation as is. That is all I am blaming them for. They did not introduce this.

If we really want this economy to grow we have to break the monopolies. Look at the effect of this! Look at what happens! Because of this monopolistic situation which has been created, Neal and Massy now accuses the Tyre Recappers Association who import what they call, casings from the United States, of importing and selling tyre casings with too much rubber on them. So they insist now that the tyre recappers—I am using words here which they know, I do not know the technical thing. They buff the tyres—and I imagine that means that they take off the rubber—before the tyres come into the country. Do you know what is the result of this? The licence granted to them is a licence for 200,000. They must pay US \$290 each to rebuff a tyre—not here, you know, they must rebuff it in the United States. That is causing a loss of US \$580,000 in foreign currency to pay rebuffers—people who buff the tyres, I imagine—in the United States before the tyres get here, and that is \$2,494,000 which is exported from this country because Neal and Massy wants to liquidate everybody else who is in the tyre business. We have to do something about this.

Another company, Burmac—and this a subsidiary of Mc Al—is allowed to import rubber for recapping their tyres at \$4.49 per pound, while 52 small recappers are forced to purchase theirs locally at \$8.08 per pound. How are you going to expand this economy? Is that not the point I was making just before the election? As long as there are monopolistic strangleholds over the economy, small business cannot thrive, and if small business cannot thrive, where are

people going to get the work? The Government cannot provide the jobs. We are saying that they must go into small business and become self-employed. How can they become self-employed when the conglomerates are strangling them?

For that, we have filed a motion which has come to you—and I am sure you probably have seen it, Madam Speaker—where we are asking this House to set up a Joint Select Committee or a Special Select Committee to look into allegations of unfair practices, discrimination, and so forth. If the Government is not prepared to set up a committee like that, we have to rethink our position as to whether we will serve on any committee at all, because we are not going to be party to fraudulent activities; we are not going to be party to sham, that you tell us join this committee, and join that committee when these committees have no real effect or no impact upon the economy.

We say if you want to have committees, let us introduce committees into this House—which are meaningful—a Special Select Committee of this House which will investigate all complaints of discrimination like this. Then we will decide whether we will serve on committees. This House should be investigating all acts, all allegations of discrimination—private sector, public sector, wherever—if we are serious about uniting this country, ending alienation, dealing with the issues, finding consensus on where we should go.

I am told that these very recappers have been asking for a meeting with the new Minister of Industry and Commerce. Oh yes, he was here the other day. But why should he listen to them? Nobody voted for him! He is right to ignore them. Listen to what he told them: He told them to go and check with the Consumer Affairs Division. When they went down to the Consumer Affairs Division, that Division told them that they have no authority to deal with that matter, and to go back to the Minister. They went back to the Minister and the Minister's secretary told them that the nearest date they can get to see the Minister was about April/May, 1992. They went to the Minister of Finance, and he said, "Do not call me, I will call you."

2.55 p.m.

So they cannot get an appointment to see anybody. We know the Government has a mandate to rule and I assure my friend from Laventille, we cannot ride roughshod over anybody; they have the horses. We are a minority. They are the majority; they have the power to rule. We do not control the public purse. We do not go and ride roughshod over anybody. All we tell them is that they put a budget here which is contradictory by its very provisions. What they do on the

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one hand negates what they hope to achieve on the other. Therefore, they might want to consider asking this House for an adjournment at this stage and amend the amendments, remove some of the impositions they have put on things like gasoline, cars and soon forth, and come back to us. We are prepared to meet again on Friday, tomorrow or even later tonight. We are prepared to look at it, Madam Speaker, and give it our support if the Government is minded to look at these provisions again. Thank you.

Mr. Trevor Sudama (*Oropouche*): Madam Speaker, I would not have been in this debate, had it not been for a remark made by my good friend the Member for Diego Martin Central that the excise duties which have been raised would have increased costs by 30 per cent. I am not sure if I am quoting him correctly or whether it would have increased the excise duties and the revenues accruing to the Government by 30 per cent. Because you see—*[Interruption]* I am willing to give way to the Prime Minister, the Member for San Fernando East, on a matter of clarification. You do not wish to clarify? Are you clear in your own mind what your Government is proposing through this budget? Because I want to endorse the view of the Member for Couva North—

Mr. Valley: Madam Speaker, could you kindly ask the Member to refer to the Speaker rather than address the Prime Minister?

Madam Speaker: The Member for Oropouche is such an experienced Member of this House, I am sure he is probably just deviating for the moment.

Mr. Sudama: Madam Speaker, I was merely responding to my friend the Prime Minister in certain inaudible remarks which he was making. He is my friend even when it comes to receiving blows in this House. I give blows to friend and foe alike. What this Government has not fully realized is the full implications of the impositions which it is now asking us to approve today through the approval of the Provisional Collection of Taxes Order; and particularly, Madam Speaker, in the taxation in the excise taxes on gasoline and petroleum products and the ripple effects which that is going to have on the economy generally.

Now, we have an idea what effect it would have on the consumer for the purposes of transport and we are told that in certain cases taxi fares are going to be hiked from \$1.50 to \$2.00 which means a 33 1/3 per cent increase to that person who is using a taxi for a certain route. In another route it is going to be from \$4.00 to \$5.00 which means a 25 per cent increase. When you calculate the increases across the board for all the people who are going to use public transport, whether it is buses, taxis or whatever you have, we are going to have a significant

increase in the cost of living and that is directly with respect to transport costs—travelling costs, passenger costs. But when you understand, as has been stated before, that in every item of purchase of goods and services there is a transport element involved; and when that is added on to all the other sectors of the cost of living index, what you are going to have is a phenomenal increase in the cost of living through the imposition of the levies in the Provisional Collection of Taxes Order. What is going to happen—you see in the euphoria before Carnival people do not think of how it is going to bite into their pockets. But I am convinced once the Carnival is over and they start to take stock of what is happening to their real standard of living, then we are going to have a degree of restlessness and protest in the society. It is bound to come, Madam Speaker, because people are willing to give the Government a little time to settle in. There is going to be a little honeymoon, but after that period is over and the realities face them, then we are going into the sphere of real politics in this country.

I just want to remind the Government what is in store for them when the full implications of the increases hit the population of Trinidad and Tobago. But, as I said, Madam Speaker, I would not have intervened except to seek clarification from the Member for Diego Martin Central who seems to be the spokesman on that side on these matters, that there is an increased cost of only 30 per cent to the consumer. Whereas the increase in excise duty ranges from 50 per cent, 65 per cent on the various items—and I merely want to refer to a few of the items on which these excise duties have been increased, and to ask the Government, first of all, whether this is a realistic estimate, whether this is a realistic budget and, whether, in a few months' time they will not have to come back to this House to say that this budget and its estimate was based on rather unrealistic assumptions—grossly unrealistic assumptions—in which case we might have another budget coming to us very shortly, which will either raise taxes further, or cut down expenditures further in order, as they say, to bring revenue and expenditure in line.

I cannot really understand the thinking of the bureaucracy and the Government when we are told that on rum and spirits there is going to be an increase of 50 per cent on the excise duties to be charged—page 31 of the budget, Excise Duty on Alcoholic Beverages, to be increased by 50 per cent. Yet, Madam Speaker, in the *Estimates of Revenue, 1992*, I see under the item Excise Duties, Rum and Spirits, it is estimated that the Government will collect \$43.4 million more in excise duties from the sale of rum and spirits.

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In other words, from a revised 1991 estimate of \$69,607 million, they say that in 1992 they are going to collect \$113 million. Now, when I work it out, this Government is calculating for an increase of 62 per cent in the excise duties which they are going to raise as a result of the imposition of this measure.

3.05 p.m.

I wonder sometimes what goes on in the Ministry of Finance. Because you are assuming that when you raise the excise duties by 50 per cent, you are going to get revenues in excess of 62 per cent. That is the assumption that the hon. Minister of Finance comes to this House with, not realizing that when you raise taxes and you raise the price to the final consumer, there is likely to be a decrease in sales. There is something called the elasticity of price increases. Therefore, if you increase the price, you are likely to get less sales. How on earth, on the basis of an assumption that you get less sales, we have this revenue estimate increased by 62 per cent? Only the hon. Member for St. Ann's East and his colleague, the Member for Diego Martin Central could explain this kind of arithmetic to this House. Nobody else.

The other point is, we are told that these are revenue-raising impositions—impositions to raise additional revenue. Does this tax have a social objective? In other words, by increasing the excise duty on alcoholic beverages by 50 per cent, is the Government signalling to the people of Trinidad and Tobago that they ought to consume less alcoholic beverages? Or is it anticipated that they will consume the same amount but all they are concerned with is getting the revenues from the same level of propensity to consume alcoholic beverages? Is that the assumption? Because some people may very well not be able to afford rum and spirits at the increased prices and they might resort to things like “babash” and bush rum, as substitutes, which is a very distinct possibility.

Therefore, if that happens, what is going to happen to this—what I can only say—bogus estimate of increase in revenue which has been presented to us in this House? What is going to happen? Sometimes I think that this Government does not live with its feet on the ground. It has its heads in the air and it appears it also has its feet in the air. Therefore, Member for Diego Martin Central, through you, Madam Speaker, how can you come up with such estimates and you are making loud noises about 30 per cent increase only? How do you account for this?

Then we go on to beer duty. This has been increased again by just over \$43 million; from the revised estimate of 1991, of \$76.6 million to \$120.6 million as the estimate for 1992. That is an increase of 57 per cent, in the estimated increase in revenues. Are you assuming that the level of beer sales will remain the same?

Or perhaps people would be consuming more beer as a result of the increase in prices? Strange economics, indeed, coming from the Members on the other side.

Then we go to cigarettes. In the case of cigarettes, they are saying that they are going to increase the excise duties by 75 per cent and they have made an estimate here that they will get increased revenues of 80 per cent on the basis of this increase in the duties on cigarettes. Is this, in fact, realistic? We come up again with an increase of \$43.4 million in terms of increased revenues calculated for 1992. It seems that the Ministry of Finance is stuck on this increase of \$43.4 million. If it is not on rum and spirits, it is the same overall increase we see on beer duty and on cigarettes. They are stuck with this magic figure of \$43.4 million.

But I am at a loss, really, when I come to the question of excise duties on oil, petrol, under Chap. 78:50. In 1991, their revised estimate was \$212,215,000. Now in 1992, where we are told that the excise duty on petroleum products and so forth, would increase by 65 per cent—a substantial jump in the increase in excise duties—and I look at these figures, I see that they are calculating that they will get in 1992, \$535,100,000. In other words, they are coming to tell this House that they will get \$323 million more as a result of the imposition of these excise duties on petroleum products than they received in 1991. That, when I make my calculation, is 152 per cent increase you are calculating to get next year on the basis of what you received last year. Then they come here to say the taxes are only going up by 30 per cent. How on earth could they come up with this calculation that they are going to receive 152 per cent more in revenues from the imposition of excise duties on petroleum and petroleum products? It befuddles the mind. Their arithmetic, their economics, their politics, is befuddling to the mind. But I think, as has been said before, you cannot fool all the people all the time. You may fool some of them all the time. I want to warn them that the "some of them" they probably have been fooling all the time, is a dwindling aggregate. They will face the realities sooner than later.

I want to make one other point. When this Government went on the hustings last year, it told the country in no uncertain terms, that it is going to reduce the level of value added tax. The overall level, across the board, was going to be reduced, as well as on certain selected items, the taxes will be removed altogether, but the overall level of taxation which now stands at 15 per cent, was going to be reduced. However, when they came to write this budget, they could only find it possible to reduce the value added tax on certain selected items, like

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school books, certain medicines and so forth. Yet, when they come to make the estimates, value added tax, page 4 of the *Estimates of Revenue, 1992*, from the revised estimate of 1991 which was \$1,051,705,000, they have increased the estimate for receipts from the value added tax to \$1,144,545,000.

In other words, although they are reducing value added tax on certain items and you would expect them, therefore, to get less value added tax in 1992, they are making a provision for increased value added tax receipts in 1992. This could only be on the assumption that the economy is going to grow to such an extent; you are going to have economic transactions to such an extent in 1992, that it is going to add this significant figure to the total of value added tax. Where is the justification for such a conclusion? But moreso, it would seem to me that since you anticipate an increase in revenues from value added tax retained at the same level for the vast majority of items, then the possibility exists that you could have reduced value added tax by a certain percentage in order to facilitate the average man in Trinidad and Tobago. If it were only one per cent, it would have been a great relief to the man earning \$30 a day, and having to maintain a family and buy basic items on \$30 a day.

3.15 p.m.

Like their predecessors, although the proceeds from value added tax has been going up, they have not given consideration to lowering the rate in order to bring relief to the vast majority of poor people in this country; the small man for whom they profess to care so much. It is the small man who has to pay dearly through a retrogressive system of taxation like value added tax; because he pays the same tax on an income of maybe \$2,000, \$3,000, \$5,000 or \$10,000 a year, and he pays the same VAT when he goes to purchase the relevant items, as the man who earns \$100,000 a year.

So, they ought to explain to this country why—on the basis of the fact that they are anticipating increased revenues from the value added tax in 1992—they did not see it fit to decrease the overall rate of value added tax to benefit—while it would be of benefit to the rich people as well—the vast majority of poor people in this country, the small man of Trinidad and Tobago. But that then exposes their inconsistencies, contradictions and propensity for making false promises to the people of Trinidad and Tobago.

Thank you.

Dr. Carl Singh (*Tabaquite*): Madam Speaker, I address this honourable House on the Gambling and Betting (Amendment) Bill.

We are in the throes of unemployment in the country and everyone who is in anyway connected with the horse-racing industry is aware that it is a dying industry. I look at the paper before me with respect to the levy on licensed betting offices. There are about 28 betting shops in the country and these, I have been made to understand, are controlled by about six people. The Member for Couva North has spoken extensively on conglomerates and monopolies. To my mind, this is either a type of monopoly that controls the betting industry in the country and/or a cartel. If I, as an individual, should want to open a betting shop, I am sure I would not be afforded the licence to do so. This brings me to believe that there is some type of a strong hand controlling this type of industry in our country.

According to estimates by learned people who are involved in this industry, the average day's take in one of these betting shops is about \$50,000. Simple arithmetic will put \$50,000 by 28 to a phenomenal figure, and if 25 per cent of this money is paid to the Treasury, again, it will be a tremendous amount going into the coffers.

Now, last year, the betting shops paid approximately \$8 million and this is basically an industry of about \$1 billion a year. Where is the equity in this type of industry? We discussed, on the last day, raising funds to pay our old aged pensioners. This industry could be an important avenue from which funds can be channelled towards satisfying some of the needs, so that our old age pensioners could get a better deal. This is the point.

Pari passu with the betting shops, the TOBA outlets as run by the Trinidad Race Club Limited operates about 22 shops in the country; they work from 6 to 12 and over the last year, they paid over \$4 million to the Treasury. Now, the Betting Levy Board is a statutory body, authorized by government as a collecting agent for taxes. They run the TOBA shops and pay the sum I mentioned earlier; these are audited and computerized so it can be referred to, and they are, as it happens, in these shops. From my understanding, the Betting Levy Board had recommended to government that taxation, which is the levy to the betting shops, be increased to \$400,000 a year; this is a fixed sum plus \$100,000 in licensing fee. The amendment before us is for \$200,000 a year. What is happening? Are we really aiming to ameliorate the conditions or are we just going to facilitate the few at the expense of the many?

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You see, when a bet is placed in the TOBA shops, the money is pooled and a dividend is declared from that sum of money to the punter and these are the people who are really taken for a ride. You go to the other shops, they pay you according to what they want to pay you, in some cases, but in the betting public these are the people who suffer most.

Now, of the funds from the TOBA outlets and the profits at the end of the year, 50 per cent is paid into the Treasury and 50 per cent is ploughed into the racing industry. We are really trying to keep this industry going. It employs approximately 5,000 people directly and another 5,000 on the fringes. So, we are not only looking for new avenues of employment, but we are looking for those who are employed to be kept employed; again, the Exchequer could benefit from these activities.

I have noticed also that the payment is to be made quarterly and it has been allocated \$200,000 a year. Now, tell me something. If one of these shops should go bust by the middle of March, who will pay that quarterly \$50,000 to the Treasury? This quarterly payment ought to be made at the beginning. It is a fixed amount. Whether you make a profit or not, you must pay this to the coffers of the Government. If you are running a rum shop in the country, by the time your licence expires you have already paid in front. Whether you sell liquor or not, you pay before. Why has this special concession been granted to those type of monopolistic operations. Are we really serious? These are some of the questions that come to mind.

3.25 p.m.

The race clubs own assets, they maintain plant, machinery, horses and they have ongoing events all year through. Whether the horse racing is functioning for 10, 14 or 16 days per year, they maintain the plant and machinery for the whole year. They are maintaining their employment as it is.

According to these estimates—the people who have been around these pools, if these pools were paying the moneys that are supposed to be paid it will be anything in the vicinity of \$14 million to \$15 million towards the Exchequer. That is quite a handsome sum so as to supplement or to increase the benefits of our senior citizens who have toiled and sweated and some of them died in the development of our country.

The betting shops outside operate from around 6.30 a.m. They sometimes go to 2.00 o'clock the next morning. They do the local racing, racing from England,

and the United States. They do dog racing and so forth. And a \$50,000 a day take is a very conservative estimate for each of these shops.

Madam Speaker, what I am saying is that a closer look should be made, indeed, a deeper one, with an investigative eye to see what is really happening with this industry; who are the people in the cartel and what they are doing. The profits they make do not go back into the racing fraternity but, in their personal pockets. The country does not really benefit truly from that type of investment. We are asking that this be further investigated and a deep searching eye be placed on it.

Our Constitution, at page 10 paragraph (b) states:

"respect the principles of social justice and therefore believe that the operation of the economic system should result in the material resources of the community being so distributed as to subserve the common good, that there should be adequate means of livelihood for all..."

This is an avenue that will raise funds but, notwithstanding the fact that the Betting Levy Board, a statutory body, made a recommendation for \$400,000 as a levy to be paid at the beginning of the year, this has been reduced to \$200,000 to be paid quarterly at the end of the quarter rather than at the beginning. As I mentioned before, should the shop go bankrupt who pays it? The Exchequer stands the consequences. I thank you.

The Minister of Education (Hon. Augustus Ramreakersingh): Madam Speaker, since this is my first opportunity which I have had to speak in this Parliament, may I first of all extend my congratulations to you, on your election as Speaker of this House. We have no doubt that you will acquit yourself very well in that position as you have been doing so far in this Parliament.

May I also take the opportunity to congratulate hon. Members on this side and on the other side on their election to this Parliament. I look forward to working with all of you with the objective of making this a pleasant but productive Parliament.

I intervene in this debate and take as my point of departure, the point which was made by the hon. Member for Couva North. He said that on the one hand, we removed value added tax on books and on the other hand we increased the excise tax on gasoline; so while something beneficial was done on the one hand, on the other we made it more difficult for people to travel. Originally, the commitment was to remove the value added tax on school books but the Minister of Finance

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went much further than school books, and removed it from all books. However, that is not particularly the point I wish to make because, yes, there have been some projected increases in taxi fares. I refer especially to the large number of commuters and in particular to school children.

There has not been any increase in the price of bus fares. In fact, the Government continues to subsidize those who travel by the bus. But my particular concern, Madam Speaker, is with the school children, and I wish to make the point that it is not just a question of saying well, the excise tax on gasoline has increased and, therefore, transportation cost will increase. This Government wishes to announce that very shortly some buses will be assigned to the school children of this nation. Indeed, I may put it another way. Very shortly we shall see, albeit, on a limited scale, the reintroduction of transport for school children in this country. We shall move in the future in incremental stages as we are able to do so and more and more of our school children will be able to get school buses.

I wish to say that the hon. Member for Laventille West, the Minister of Public Utilities, has been the moving force behind that action and I have been happy to collaborate with him. In fact, what we did at the Ministry of Education was to identify the areas that were hardest hit; those areas in which options for travelling were limited or non-existent. We identified those areas in the Ministry of Education and made that information available to the Minister of Public Utilities. While we would have liked to do more and while we cannot cover all the areas we wish at this time, we were able, largely through the persistence of the Minister of Public Utilities, to get the Public Transport Corporation to assign a certain number of buses to those more difficult areas.

For the purposes of the record, we have catchment areas in parts of Tobago, San Fernando, Point Fortin, Sangre Grande, Central Trinidad and Port of Spain.

3.35 p.m.

Mr. Hosein: Can the Minister identify which catchment areas will be serviced?

Mr. Ramrekersingh: I wonder whether the hon. Member will be satisfied if I just describe one of the catchment areas. It is a rather long document.

Mr. Hosein: We would mind.

Mr. Ramrekersingh: I can make the total document available to you. I can just give one example. The one that is here in front of me is the Sangre Grande area; catchment area: Toco, Sans Souci, Monte Video, Salybia—school served, Toco Composite. Catchment area: Sangre Grande and environs, Valencia—schools served, Arima Senior Comprehensive, Ste. Augustine Girls High School, Mt. Hope Junior Secondary. Instead of going through the whole thing, I will just give another example. Catchment area in San Fernando: Ste. Madeleine, Cedar Hill, Manahambre—schools served, St. Stephen's College, Princes Town Junior Secondary, Princes Town Senior Comprehensive. Those are just some examples. If hon. Members wish, they can have copies so that all the details can be gone through.

The point is that we would have liked to do more but we have to recognize the constraints within which we operate. It took some doing to secure a certain number of buses in order to restart the bussing of our school children so that they could be spared some of the agonies which they endured over the last few years because of the total absence of school bus transport. Knowing that we could not do everything at one time, we tried to satisfy those areas of greatest need, and we give the commitment that as resources permit, we will, in incremental stages, increase the transport available to our children to schools.

I come back to the question of books and again use as my point of departure, value added tax. The removal of value added tax from text books has had the effect of making them less expensive. As a matter of fact, the authorities at the VAT administration have begun to put in place their surveillance which will take care of certain complaints which were aired, that people were not benefiting from the removal of VAT from books. More than that, the Government has begun to turn its attention to the whole question of school books and we have started discussions on the issue of how we can make school books more available and more affordable to the children in the schools. We expect that, in the not too distant future, in my capacity as Minister of Education, we will be able to make certain announcements, which will have the effect of reinforcing the drop in price in school books as a result of the removal of VAT. The idea is to make books more affordable and to take away some of the burdens which parents have to carry now. So that, we will also be moving in that direction.

I move now to the Member for Oropouche. He made the statement that we did not fulfil our promise to reduce the 15 per cent rate of value added tax. Indeed, on page 11 of the soft cover copy of the manifesto, there is a commitment to reduce

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the rate of value added tax, but we wish to make it clear that during the campaign what we said was that certain items will have first priority and that the ultimate objective was the lowering of the 15 per cent. There was no commitment to do it in the first year. It all depends on how the economy goes. We would have liked to go further in removing certain things from the VAT regime, but the economic and financial situation which we inherited did not allow us to go further. We feel, however, that we showed good faith by taking certain steps, in line with the commitment which we gave. I repeat, there is the commitment that ultimately it is our intention to lower the 15 per cent rate of value added tax. There was no commitment to do it in the first year, or to do it immediately.

In my short contribution, Madam Speaker, I have simply sought to deal with some of the matters which were raised on the other side. It is easy to say, as some have said, that we have given with one hand and taken with the other, but the budgetary measures must be taken as a package in the total context. If you start to isolate them you could put any argument you want.

3.45 p.m.

Moreover, when we look at these motions before us this afternoon, Madam Speaker, yes, it is true that we will have to pay more for certain things, but when we put it in its proper context, what we will see is that what the Government has been trying to do in its first budget, is to spread the burden of adjustment more equitably through the society than was the case over the last four or five years.

It is also interesting, Madam Speaker, and I say this not with reference to the hon. Member for Couva North, because I feel he has a commitment to the poor and dispossessed, but sometimes—and I say I am not speaking of Members of either side—when I read some publications, I am amazed. I never realized that so many people loved the poor. Many of those who now claim to love the poor supported certain measures over the last four or five years. I refer, of course, to no one in the House, I am talking about my general reading and comments you hear in other places. The poor have indeed become very popular.

Madam Speaker, I hope that I have been able to shed light on those items to which I have turned my attention, so thank you, Madam Speaker, and hon. Members.

Mr. Subhas Panday (*Naparima*): Madam Speaker, the resolution on which I intend to speak is the one which deals with increasing the taxation of tobacco products as they affect those coming from outside the Caricom area. When the

hon. Minister of Finance said that the reason for raising these taxes is to maintain a differential, actually, what he is endeavouring to do is to comply with the CET; that is the common external tariff as it affects the Caricom region.

Today, Madam Speaker, we ask, why has this Government not impressed upon other members of Caricom to implement the CET, places like Antigua, Barbuda, Belize, Montserrat, St. Kitts/Nevis, St. Lucia? We have been bending backwards to facilitate other Caricom countries and the people of Trinidad and Tobago are not benefiting from reciprocal arrangements in that direction. They say that the purpose of imposing the CET is to help increase production; that is, also, by extension, to reduce unemployment, so you can make greater use of our regional supplies and further deepen the process of integration.

They argue that the CET, as far as Trinidad and Tobago is concerned, has been beneficial in that we have achieved a surplus through CET. But, Madam Speaker, that may be so for certain people in the society; that is a few manufacturers, but the majority of our people in the agricultural sector have not really benefited from that measure of the CET. The people in the agricultural sector in Trinidad and Tobago stand in the same position as the people in St. Lucia.

Madam Speaker, I wish to refer to a statement made by Prime Minister John Compton who said that St. Lucia does not want to implement the CET which we are implementing in this measure in the budget, because the CET required St. Lucia to raise their duties in order to protect the manufactured goods from Trinidad and Tobago, Jamaica and Barbados. He also stressed that agriculture was the pillar of the St. Lucian economy. He said that the agricultural producers of St. Lucia had not benefited from CET. He said that St. Lucia must purchase manufactured goods at a high price and when it comes to the agricultural produce, they cannot sell their produce.

The position of Caricom as it relates to this topic of agriculture is that all of us are producing too much of the same goods to sell each other. As such, what is happening is that within the Caricom area, the people who produce agricultural goods cannot benefit from this type of measure. In the circumstances, Madam Speaker, it is necessary that the Government, through its fiscal measures, make an attempt to protect the agricultural sector in this country.

I make special reference now to the situation of coconut and edible oils. We in Trinidad and Tobago have entered into an agreement called the Oils and Fats Agreement in which we have committed ourselves to purchase 8,000 metric tonnes of edible oils from St. Lucia. When one looks at the newspapers, as of last

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week, one sees that Lever Brothers are now exercising their rights under that agreement and they are importing coconut oil. What is the position with our own coconut farmers? Our own coconut farmers cannot compete with the coconut farmers of St. Lucia, and as a result of that, there are approximately 65,000 kilograms of dry copra in the hands of coconut farmers in the Cedros area, the south western peninsula, and those people are suffering daily. What we see, however, is that the goods which are manufactured, are being protected in the intra-Caricom trade. But in the case of the coconut farmers, they have not been protected and they are suffering. In those circumstances, what one sees is that unemployment has risen in a whole area in south Trinidad, the whole Cedros area.

When one looks at last week's *Mirror*, it said that seven coconut estates have gone down; they have stopped producing; they have thrown about 8,000 people directly and indirectly out of employment. It also said that CGA is refusing to buy their copra, and the coconut farmers of Cedros cannot afford to pay their workers because CGA has refused to purchase the copra which they have already produced.

What we are humbly asking is that before the CET bears any fruit to the agricultural sector, the trade Ministers of Caricom must decide which country can produce what, and as a result rationalize the production of agricultural products so that one area of the Caricom would not suffer as a result of another area.

Madam Speaker, what is necessary at this point in time is that if we are going to implement the CET, and to give protection to manufactured goods within the region, we think that in that process, since we are in the stage of producing the same goods as other parts of the Caribbean, it is necessary that this Government take immediate steps to buffer the pressures which now confront the farmers in this country. And as I have indicated, the farmers who are suffering most of all under such a system at this point in time are the coconut farmers.

Another issue about the CET is that of the tracing of the country of origin. One sees that one of the objectives of the CET is to create employment. But what one finds out as one investigates, is that certain business people form paper companies and import completely manufactured goods into those Caricom countries. They stick a label on, made in that country, and then evade the taxation system and have them brought into Trinidad at a loss to the Government. This has been happening in the case of refrigerators, stoves and other appliances.

What is necessary, before we give protection to these so-called manufacturers in the Caribbean, is that the governments of the Caricom area must ensure that a certain amount of input goes into the production of these manufactured goods before they are given this preferential treatment. Because if we are not careful and we do not closely monitor the rules of origin of these goods, what one will observe is that very little employment will be created in the Caricom area, and the governments in the Caricom area, in particular Trinidad and Tobago, will be losing substantial revenues.

We saw sometime last week where they said that a certain big businessman in Trinidad is in a \$1 million fridge scam, and the point I was making about exploiting the system is clearly manifested in that type of activity. What is also necessary is that the agricultural sector has to be protected. As the Member for Couva North has indicated, the conglomerates are stifling the production of agricultural products in that this same CET where they say that if you buy goods from within the Caricom area, they are given preferential tax treatment, this conglomerate has been given the licence to import tyres for equipment into the country. They alone have been given the licence to import from Jamaica.

When they imported these tyres, they sold them at \$3,800 per tyre. Then the former Minister of Co-operatives and Agriculture encouraged farmers to form a co-operative and go into the purchasing of agricultural equipment and tyres so that they would get some sort of protection under the co-operative system. Lo and behold, they formed the co-operative and they attempted to import these tyres, only to find out that licences were given to a certain conglomerate and they could not get licences.

That conglomerate imported the tyres and the people from the co-operative system had to purchase those tyres from the conglomerate. They purchased the tyres at a wholesale price, and shortly after that, the conglomerate dropped the price of the same tyres below the cost at which it sold to the farmers. So the co-operative purchased tyres from the conglomerate for a certain price and the conglomerate subsequently sold those same tyres below the cost it sold to the farmers.

In the end what happened is that the co-operative fell down because there was not enough protection from the Government for the agricultural sector. The big businessman made the buck, the small farmers, with their co-operative had to go out of business, and shortly after, tyre prices went back up. This is the type of

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problem that farmers and the people of the agricultural sector are having in this country.

We are happy that we are complying with the CET, and we are imposing additional taxation to maintain the preferential, but what we are saying is that will only affect a few people in this country, a few businessmen who can exploit the system and make a killing. But the people in the sector which the Government hopes to develop, they need the protection. The Government must look into that situation as quickly as it can, because the agricultural sector is the sector which we are certain will be able to reduce the unemployment significantly in this country.

We ask the hon. Minister of Agriculture to convey to the hon. Minister of Industry, the problems of the coconut farmers in this country; that we are in Caricom and our own people are suffering here, while we import from abroad, be it from the Caricom area, because we have a duty to Caricom. But we also have a duty to the people of our country. I am certain that the hon. Member for Point Fortin will surely speak on this topic as we go along and he would certainly be aware of the problems of the people of the peninsula.

Madam Speaker, these people are suffering not because of their own undoing, but they are suffering because of big businesses like Lever Brothers, CGA and state enterprises such as the Flour Mills. These three businesses which control all the edible oils and fats that we consume in this country, they are acting in concert to punish and to exploit the small farmer, because the small farmer has nobody to complain to.

We had meetings with the former Minister, Dr. Bhoë Tewarie, and the former Minister of Agriculture. We discussed the problems of the coconut farmers for one day. The then Government was so weak that after discussing the matter for eight hours, all the Minister of Industry and the Minister of Agriculture could have said was "today we have discussed the following topics: A, B, C, D, E, F, and could not do anything on behalf of farmers."

This is a Government that says it cares. We want to inform them that there are people who are suffering intensely in the peninsula, people who work for \$30 a day in the coconut plantation. When they lose one day's work, it means a lot to them. These people have a large number of children. They do not have any pensions to get. They do not have any gratuity to get.

With the economic system so organized, when the time comes, we are certain they will get no severance pay, either. What we are asking this Government to do is to look into the situation of the coconut farmers as a matter of urgency and, further, in the broader perspective, to ensure that the farmers in this country are protected from the sharks that exist.

We ask the Government to revive the co-operative system; it is enshrined in the law. When you revive the co-operative system, give them the benefits which are due to them so that the poor man will be able to help himself. At the present time, every move the poor man makes, the conglomerates, big business, the privileged few, they are sitting there and they are waiting to negate whatever progress he makes.

In the area of the importation of pesticides, agricultural products, fertilizers, only a few people import and they put pressure on the farmers. Madam Speaker, I am certain that these requests will not fall on deaf ears. Thank you.

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Madam Speaker, permit me to congratulate my colleague, the Member for St. Joseph on making his maiden brief in this Parliament. *[Interruption]* I can assure you that he normally goes beyond 10 minutes, but he was unfortunately absent as a result of a virus for the budget debate and we are happy to have him making a brief contribution to the debate. I hope that clarifies the point.

Madam Speaker, I rise to make a few points with respect to some comments from the other side, hoping to assist with some of the concerns they raised. I wish to start with some comments made by the Member for Couva North.

I want to say, Madam Speaker, that with respect to the nature of the problem, and the hardships being caused and the intentions to alleviate them, we on this side have absolutely no difficulty in seeing eye to eye with the other side with respect to identifying these problems and to see to what extent we can address them in the most humane and reasonable manner. However, having said "reasonable", one now has to differentiate between the Minister of Finance, who has to actually do, and the other side who might posture, because you see, Madam Speaker, the Minister of Finance's budget is something that has to be relatively definite within the context of our limited resources.

On the other side, one gets the impression that the Opposition is functioning as a lobby. There is nothing wrong with that, because that is the system. The

Opposition has done very well so far and I hope it continues to do that to bring to Government's attention in as detailed a manner, the problems as they exist all over the country. I think that is what the Opposition is doing and doing very well. But there is a very thin line between that and becoming an unreasonable lobby, giving the impression that the Government is recalcitrant and is therefore not willing to deal with these problems as identified by the Opposition. So I ask you, Madam Speaker, to make that fine distinction.

We had in the debate so far, starting with gasoline, the query as to whether or not it was 10 cents per mile, or what mistakes were made. Clearly, the Minister of Finance, in reading a text where there was an error in the text, the Minister had one cent per mile and he quickly corrected himself. So there was no question about it being the Minister of Finance computing his numbers and discovering later that it was a different figure, and therefore, he should go back to the books and recompute. That is a wrong premise, and therefore, the argument is wrong and the conclusion is wrong.

The Member for Oropouche, one who is very well known for being at variance with budgets, even his own budget, had a difficulty in trying to figure out what the increase in excise duty of gasoline was going to cost with respect to actual increase out there to the user, the consumer. I say, Madam Speaker, nothing could answer that question more clearly than the cogent examples brought by the Member for Couva North. Because he brought a number of examples, and I, too, have been following the newspapers and we have been seeing some increases in fares in various parts of the country, especially those parts of the country where the roads are bad. There might be something to be said about that.

However, I do not think there has been an across the board increase in taxi fares in Trinidad and Tobago. I am of the view that the increase has been largely moderate and not in total. But let us look at the actual situation. He gave the Pepper Village example—and I think that is a very good example, because it is representative—where we saw that fares were going up from \$2.50 to \$3.00. My friend, the Member for Oropouche, I do not know how he does his arithmetic but he was pointing out that this \$2.50 to \$3.00 is a one-third increase, but where I learned mathematics that is not so at all.

The fare was \$2.50 and the fare has increased to \$3.00, but look at what is happening here. Before the increase in gasoline price, that taxi, assuming it was carrying five passengers would have taken from those passengers, \$12.50, but it

has gone from \$2.50 to \$3.00 per person, an increase of 50 cents person. He is now getting \$15.00, so he is taking from the travelling public an additional \$2.50. However, we are talking about an increase in gasoline price of one-third. It was the excise duty that was increased by 65 per cent, but the actual cost at the pump was a one-third increase. That is not reflected as a one-third increase in taxi fares because if that were the case, then the trip that is now costing \$15.00, which would have moved up from \$12.50, in fact, would have cost \$21.00. This is a real situation, and it is representative. So there has been some increase and the nature of the increase we know. If one makes the computation of virtually all the increases read out by the Member for Couva North, this is the kind of picture one would be seeing, Madam Speaker.

4.15 p.m.

One goes back to how we arrived at this situation. If one had listened to the Minister of Finance, one would have heard the Minister of Finance, in total recognition of the situation, saying that this action of an increase in the excise duty on gasoline was a revenue-raising measure.

The fact of the matter is, we, the people of Trinidad and Tobago—whether we are from Tabaquite, Oropouche, Laventille East, Diego Martin—for whom the Minister of Finance is a servant, and a spokesperson—owe a tremendous amount of money which has to be paid this year, next year, and so on, and so on. The fact of the matter is, the people of Trinidad and Tobago have that obligation. The Minister of Finance was at pains to point out that we have very little back-door room in which to play crayfish and to jump back; we have to face it. The Minister of Finance pointed out how he was forced, and at pains, to bring a measure like that so as to give the country the wherewithal to deal with what we have to face this year. That is how this item is in this budget, clearly a revenue-raising measure. To the extent that the increases are reasonable, I do not think that there is another way out, Madam Speaker.

I think, contrary to the expressions of surprise that there is no outrage over the budget—I am sorry, the Member for Oropouche should have prefaced his presentation by saying, “I hope” because he kept saying that there is going to be hell to pay after carnival. Somehow, he thinks that he is going to be the beneficiary of that. I am sorry to advise him that it is my view that the people of this country understand the predicament of this country and that is why, notwithstanding the exhortation and encouragement by a few, the outrage that they would have expected did not come. The people of this country are not

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unreasonable, and they are not as stupid as some people think they are, and many politicians will learn that to their own peril, even in Oropouche. I am saying that we have had to make this increase.

Madam Speaker, one hears the word “punishment” being used in the Parliament, to describe governmental actions. That is not really a serious statement. No Government sits and decides to punish X or Y—except, of course, experience is better forgotten.

We heard about 10 cents per mile, which is the accepted figure from those who computed the anticipated effects of the gas increase. Ten cents per mile in a five-seater taxi is two cents per person. However, one can then clearly see what the individual will be paying. One must also remember the extensive presentation of the Minister of Energy in another place when he was at pains to put this increase in its correct perspective, given the situation today with respect to the production and subsidization of hydrocarbon products in Trinidad and Tobago. The Minister of Energy, in another place, was at pains to point out that there is a substantial subsidy on gasoline. Let us not forget that. There is a substantial subsidy on gasoline and this increase is not a punishment but a forced reduction of that subsidy. One must see it in that context.

I am sorry the Member for Couva North is not here. I always enjoy presentations by him, whether they are in the House, whether they are on the hustings, or even just having a casual conversation. I think the Member for Couva North is a born actor. In our corner, we talk about “born a PNM and will die a PNM”, he was born an actor and he will die an actor. I am sorry he is not here, as I said, because I wanted to chide him for coming to the Parliament and reading my mail before I have a chance to read it myself.

Hon. Member: It was sent to him.

Dr. Rowley: It is one thing to read the mail but to impute the kinds of motives that he imputed, that the Minister of Agriculture is unavailable to people who seek to have access to him, especially organizations under his portfolio, is to totally misrepresent the situation. But I am sure that the actor was just acting, as we say, just fishing.

Contrary to that point he tried to make, that people from Ortoire/Mayaro wrote to me and would have no chance of seeing me, I wish to give you the assurance, Madam Speaker, that the opposite prevails, and will continue to prevail. As a new Minister, I have been meeting with a large cross-section of the

organizations and, to a lesser extent, individuals involved in the agricultural sector. But as you will understand, Madam Speaker, we have only been in office now for just over a month.

The Ministry of Agriculture is a large ministry covering the entire country. While I acknowledge the congratulations and requests to meet with the Minister—which have been coming fast and furious—with respect to discharging the responsibility which I am sure the Parliament would want me to do, it seems to me to make good sense to meet with the umbrella organizations first, and as time passes I can meet with the subsectors, and eventually individuals. I have been doing just that, and I wish to give you that assurance. I have met with the Agricultural Society, among many other organizations. In that society there are subsectors' spokespersons—people representing the fishing fraternity, people representing the copra fraternity—so when you meet with that group you get the broader picture and then you go a little further down.

In fact, I have been replying to my mail, giving appointments, and I can give you the assurance that it is not April, it is not May, it is a lot closer than that, and I intend to be extremely accessible. In fact, I have given many of these organizations a commitment to actually meet them in the field and I will be doing that. So the Minister of Agriculture is not what the Member for Couva North said he is—inaccessible to Members. That is not true at all.

With respect to the Taiwanese being given a facility here. The Member for Couva North did, in fact, raise an important point with respect to National Fisheries, and I am sure I need not bore you or detain this House with the details of National Fisheries, Madam Speaker. We are in the forefront of stating—we stated that publicly on the campaign trail—that we have had successes and failures in this country. If we are asked to identify a failure, National Fisheries will be up front as one of the failed initiatives of the Government of Trinidad and Tobago—and I should say further, Governments of Trinidad and Tobago. Again, I like to remind my friend from Couva North that when one speaks, one should not try to erase things. Our history is written for us, and we all have it at our convenience. To give the impression in this House that there is something going on with respect to subsidization of the Taiwanese—and he raised the point of corruption, and he went on to speak about corruption in the Ministry of Agriculture—these kinds of broad brush accusations do not do us any good. They simply hold us up for ridicule and, in many cases, they are not really justified.

The story behind that is: There was a time when this country entered into an arrangement to attract foreign deep sea fishermen to this country—and this has been going on for a number of years. At the time it was found to be useful to enter into arrangement where they would get subsidized fuel for long distance, long haul, fishing—and this still is going on; it has gone on under the previous PNM administration, it went on under the previous administration. I seem to recall, the Member for Couva North being down in Cedros interfering with fishing when he was fired, so he actually had an opportunity to deal with that.

Mr. Palackdharrysingh: That is correct.

Dr. Rowley: That is correct! I know, I always speak correct things. The fact of the matter is that one ought not to come here today and give the impression that there is some new initiative over that. What one has to do is what I am going to do now, which is, to give the assurance to you, Madam Speaker, that we intend to review the situation with respect to the provision of subsidized fuel for foreign fleet operating out of National Fisheries, and we will review it in the context of cost and benefit—what are we giving up and what are we getting—and as a responsible Government if we find that the cost benefit relationship is not in our favour, rest assured that the *status quo* would have to be re-examined.

4.25 p.m.

With respect to National Fisheries overall, as you know, the company is in a state of limbo and in the not too distant future my Government will have something to say about that. So I think that should satisfy Members on the other side that we are not sleeping on the job.

The Member for Couva North also got on to his favourite hobby horse which he seems to like to ride these days. I grew up in Tobago, and in Tobago there is a statement that says: “That goat you hear bawling for that water, is not that goat that want the water”. Understand that? All right, let me explain that for you, Madam Speaker. The Member for Couva North suffered tremendously under accusations that a previous administration was in the pockets of a conglomerate; and having extricated himself from that, he used it to his political benefit to tremendous effect, to accuse a previous administration of being in the pocket of a conglomerate. I get the impression that the Member for Couva North and lesser lights seem to have caught on to that to seek to give the impression that the current administration's policies are dictated by certain institutes. *[Interruption]*

Madam Speaker, it brings me to the point of national hypocrisy. When the Leader of the Opposition gets up and seeks to give the impression that a donation, publicly admitted, from a business house in this country is tantamount to the Government being in the pocket of a conglomerate, that is misrepresenting the whole electoral process in this country. If what he is saying is that we need to re-examine the process and put down new rules, I am there with him on that. But to give the impression that to accept minor donations—I would like any of the 13 Members on the other side to get up and categorically say that they received no donations for the last election from any business house in this country. Let them say that. I am not talking previous accusation. They must get up in this House and say that they received no donations from any business house.

Hon. Member: Are you denying that you received donations from any business house?

Dr. Rowley: Madam Speaker, that is not the point I was making. The point I am going to make now is that it is an accepted practice in this country that a political party can accept reasonable donations towards its campaign. If the Member for Couva North is saying that ought not to be so, then let us agree and say that political parties ought not to receive donations. But do not come and tell me that the receipt of a minor donation—and call names in the House—is something that should be taken seriously. With respect to quoting the number of cars being given to the party to prove that point—I can give you the assurance, Madam Speaker, that in Diego Martin West—

Hon. Member: St. Joseph too?

Dr. Rowley: I can give you the assurance that no conglomerate provided the PNM campaign in Diego Martin West with any motor car and I am sure that there are other Members who can say the same for their constituency. *[Interruption]*

One has to understand that the Opposition's job is not to make the Government look good—it is the opposite—to make it look bad. I have no problem with that, but it must be done on the basis of facts or facts that can be substantiated, not just throwing broad brush accusations. and calling names. I detest this idea of name-calling in the House. It is very unfair.

Hon. Member: You asked for it.

Dr. Rowley: I commend to my colleagues on the other side that they desist from the name-calling in the House because it puts the whole country's business

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in a bad perspective. There are times and places for things and I would not encourage that. I want to make a point here on this same subject in relation to my friend, the Reverend from Caroni Central. It is very likely, Madam Speaker, that one of the first things that Members of the House, especially the Member for Caroni Central, would have done is perjure himself. Because we have an old rule in this country which says that you have to file an election return and the return must show that you did not spend more than \$5,000 in your campaign. I will give way to the Member for Caroni Central now to get up and tell me that he is absolutely sure that he did not spend one cent more than \$5,000 on his campaign and therefore the form he signed says the same. The purpose of that is, I am saying, there needs to be a review of—

Mr. Mohammed: I think the hon. Member for Diego Martin West has a penchant for being provocative. Would the hon. Member state whether his party will be prepared to publish a list of all donations made to that party? If he does that, we assure him we will do it on this side.

Dr. Rowley: Madam Speaker, I fail to see the point of the interruption. The point I was making is that there is a requirement under the law that Members of Parliament must file a return stating that they did not spend more than \$5,000 towards their election campaign. They have to do that. I am saying that the figure is unrealistic and that it is very likely that a Member or Members of this House may have signed that form knowing that they spent more than that.

Mr. Mohammed: Including himself!

Dr. Rowley: Thou dost protest too much. I did not call the Member for Caroni East. Why is he getting on like that? Is he guilty of something?

Madam Speaker: I would like the hon. Member to appreciate what the Member for Diego Martin West is saying. I think he is trying to say, not that anybody has perjured himself. The impression I am getting is that the figure is unreasonable, and maybe this honourable House at some stage of the game would look into that and see whether or not the figure is reasonable. I do not think he was really accusing anybody of perjuring himself or herself.

Mr. Mohammed: Very lucidly put.

Dr. Rowley: Thank you for your protection, Madam Speaker. I hope that the Member for Caroni East will now see that no discourtesy was meant to him, no accusation was made; and to the extent that his interruption—

Mr. Mohammed: Madam Speaker, the lucidity of your explanation has convinced me that none was intended.

Dr. Rowley: Could it be, Madam Speaker, that the damage has already been done by the interruptions?

Madam Speaker: Hon. Members, we shall now adjourn for the tea break until 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.05 p.m.: *Sitting resumed.*

Dr. K. Rowley: Madam Speaker, to recap a bit. Before we went on the tea break, I was seeking to deal with the comments of the Member for Couva North about the role of conglomerates in the decision-making process and the specific allegations made against this Government. The Member for Couva North did, in fact, raise a very important point, specific to the tyre retail business. I can tell you, I understand his point, because in my constituency I, too, have had complaints. I hope that we will be able to resolve the matter in such a way that those who are now disadvantaged with respect to the import regime, would find a place in the general trading.

It is not that there are not unfair trading practices. We, on this side, cannot support unfair trading practice. To the extent that unfair practices exist and they come to our attention, it would fall to us to deal with the matter as any responsible government should, not only with respect to the importation of tyres, but with respect to any matter of unfair trading practice. The Government has a role to improve the situation.

Having said that, I do not think that one should take seriously the emotive statement of the Member for Couva North when he said that all acts of discrimination should be dealt with by this Parliament. I think that was overstating the case. Yes, one must have as our goal the eradication of discrimination in all its forms, but I am not sure what the Member for Couva North was saying, because in the budget debate, he made a very strong plea for another approach to deal with the problem. I think it was in the form of an equal opportunities commission. But now I am hearing that he is going on record as saying that all aspects of discrimination should be dealt with by the Parliament. I hope he did not mean that literally, because we would be here for years and get nothing done.

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To the extent that one is acting as a lobby—I made the point earlier that one gets the impression that in seeking to discharge its responsibility as an opposition, they are lobbying, one has to be careful about how one reads the individual letters from those who argue that their case is the worst case and all it requires is governmental action to correct it. Let us be reasonable. I think every person in Trinidad and Tobago could make a case that he or she is on the receiving end of some kind of injustice, because the perfect situation does not exist in their own personal environment. So one has to see the identification of a problem in the wider context, and bear in mind that there are usually a number of sides to a story.

This brings me to the question of the copra, the matter which was raised by the Member for Naparima. Since he is not here, I will touch on one other matter before I go on to that, hoping that he comes in before I speak. It is the matter with respect to this whole issue of VAT. Again, one has to make a distinction between the campaign and the Parliament. For us on this side, the campaign is over. What falls to us now is the running of the country. It probably sounds good to get up in the Parliament and say that we had said we were going to reduce VAT, and misrepresent the situation. But as my colleague from St. Joseph clarified, that was not the position. The position was clearly stated as to what our ultimate objective was and which items we would tackle in the beginning. In fact, the Minister of Finance was so forthright, that in his presentation either in this House or the other place, he actually said that it was our intention to reduce VAT on some food items, but the circumstances did not permit.

So when the Member for Oropouche made the point about seeing in the numbers an increase in the VAT earnings as against a commitment to reduce VAT, he was simply playing politics, because the Member for Oropouche must have heard, and he, more than most people in this House would know, that the increase in the VAT earnings is anticipated on a commitment which the Minister of Finance gave to ensure that moneys owing to the Government under the VAT system would come to the Government through an improved method of collection. The Minister of Finance promised greater vigilance with respect to the collection of VAT revenues, and to that end, that action should increase revenues.

I was a little surprised that the Member for Oropouche took that position. He was making a point which ran counter to a position which was taken earlier when he was Minister of Finance. When he was Minister of Finance, an argument was made that the Government of the day would reduce the levels of income tax, and

that reduction in the level of income tax would have brought about an increase in revenue. On the face of it, it did not seem logical, but I seem to recall this same Member pointing out that the action of reducing income tax would have brought about greater compliance which would result ultimately in increased revenues. So he is not unaware of cause and effect, as happened in this situation, where we say we are expecting increased revenues from VAT as a result of greater compliance.

If I may go back to the point on the copra problem which was raised by the Member for Naparima, I must admit that much of what he said is true. In fact, I have had very strong exhortations from the Members for La Brea and Point Fortin, who represent the constituencies of the south-west peninsula, and the people of this area who are directly affected by problems in marketing the product on which they work.

5.15 p.m.

I think one has to make a distinction between some of the things the Member said, which were emotive and those which were factual. The Member, in his argument, sought to give the impression that the problem with respect to the copra crisis—if I may call it that—has to do with the decision to import from the Caricom region. That is only partially true in a small way.

The truth of the matter is, yes, we have a crisis down there; yes, people are suffering and, in fact, the Government is very mindful of that, but when he said that the problem is as a result of the Caricom arrangement, I wish to point out that even if there were no Caricom arrangement, we would have had the same problem, maybe not on the scale as it is now, but the problem would exist, simply because the fact is that today, in Trinidad and Tobago, we are producing more coconut oil than there is a ready market for. That is the fact.

Between 1984 and today, the circumstances surrounding the utilization of coconut oil has changed tremendously, to the extent where, today, in our marketing arrangement in the country, coconut oil which was a staple in many households in this country is largely not being used as an edible oil. We can place blame and identify it, but the fact is that is where it is. In fact, he quite correctly pointed out that it had something to do with the change of taste in oil, the role of the National Flour Mills in importing soya bean oil and so forth. But that does not give the whole picture.

The point I think he was trying to make with respect to our Caricom obligation is that under the arrangement which we entered into earlier on—where

we are a member of the Caricom Oils and Fats Agreement—that agreement was entered into at a time when Trinidad and Tobago had a large deficit with respect to its requirement for edible oil. In response to the existence of that deficit, Trinidad and Tobago had taken steps to produce edible oil. Edible oil is now being produced in this country—the National Flour Mills has a major role in that—and under the Caricom Oils and Fats Agreement, we still maintain the designation of a deficit producer, if you want to call it that. As a result of that, we have this obligation to take some oil from St. Lucia, but even that is not being taken. Because whether it is our oil or St. Lucian oil, it comes back to the point I was making that the problem is deeper than that, and it has to do with the local consumption.

One can see from this that there is an intrinsic problem. As much as we are trying for short-term solutions—and I can give you the assurance that my Ministry has been following the situation to see to what extent there are measures that might be available; we have not closed the door on it; we are talking to all parties concerned and we would continue to speak with them. But even while we are doing that we have representatives of this country in Guyana, trying to plead a case for our local farmers with the St. Lucian representatives who are arguing that we are renegeing on our Caricom obligation.

So, on one hand, we both cannot be right. We cannot have the Member for Naparima saying that we are accepting St. Lucian oil and therefore causing a problem, while at this very moment, I think, we have people in Guyana arguing that we cannot accept St. Lucian oil because our farmers here have no outlets for theirs. The picture is wider than that and we are dealing with it in the best manner we can. Ultimately, it appears as though the solution has to be that we have to move towards a long-term solution.

I have seen suggestions, some of which are not new and I have also seen some suggestions which might not be workable. However, we have to look at the entire situation, and the Ministry is paying attention to it; so we are not unmindful of it. To the extent that we can do something about it, we will, but we have limitations, with respect to actual trade in the country, and one has to recognize that what we are dealing with here, is a wider problem.

To talk about punishment for the people in the south-west peninsula, nothing could be further from the truth. Because, in my contribution to the budget debate, I tried to make the point of the level of public support for the agricultural sector. I

made the point that our major agricultural products, including copra, are at this time subsidized. There is a measure of subsidy which currently exists.

Mr. Mohammed: Madam Speaker, on this question of copra, would the Minister, state whether it is a fact that at this point in time, the coconut growers in the southwest peninsula—as we call it—are unable to get their commodities sold at the Coconut Growers Association? If the answer is in the affirmative, is he taking any steps, as a matter of urgency, to deal with that situation? There are about 12,000 people who are involved in the industry.

Dr. Rowley: Madam Speaker, I thought I made the point that the Ministry is examining all aspects of the situation and talking to all parties concerned. So, I take it that the Member would have read from that, that we are looking at the situation. I am aware from reports that the coconut farmers in the south-west peninsula are unable to sell to Coconut Growers Association, but the problem does not end there. It does not end there because somebody ultimately has to use it and the story is that the Coconut Growers Association is unable to sell to a user. It is a marketing problem which we are looking at in its entirety. To the extent that a solution is available, we hope to find it. To the extent that it is something which relates more to the intrinsic problem of demand and supply, we will then have to deal with it and look for the long-term solution.

I do not want to say anymore about the matter at this stage, because, as I said, we are meeting on it. One talks about reneging on obligations. I think the binding nature of the agreement, to which reference is made requires a large measure of co-operation. That is a fact, Madam Speaker, and it falls to the Ministry to try to encourage that co-operation. I do not know that it is a question of enforcing a right. It is co-operation between the various parties, including our Caricom neighbours to whom we have a Caricom obligation which, in fact, is not even being taken up at this point in time.

So, it is not a simple matter of, yes it is not being done and therefore do it. We have to look at it, it is a very serious problem and we are very cognizant of it and it is attracting the attention of the Ministry.

Dr. Singh: Madam Speaker, could the hon. Member indicate whether the farmers in the south-west peninsula could look forward to a short-term solution?

Dr. Rowley: Madam Speaker, I do not want to beg the outcome of the discussions. What the Member is asking me to do, I cannot say that. If I could say that then there might have been no need for us to be discussing the wider

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problem, but I want to give hon. Members the assurance that we are discussing it with a view to finding some form of relief for the suffering farmers in the south-west peninsula.

I think that we all agreed that we, on both sides of this House, would like to do what is best for the country. The measures in the budget give certain relief; we would like to do more. The measures in the budget have certain painful effects, we would like to have less of that. But I think when all is said and done, the Members on the other side would admit that at the end of the day when all the positions are taken, and one lobbies for every section, we have to look at that real situation and apportion the resources equitably. I think the Minister of Finance has done a very good job at that, and to the extent that he has done that, and these measures are now before us seeking our support, I tell you, Madam Speaker, I support the measures. Thank you.

5.25 p.m.

Mr. Raymond Palackdharrysingh (*Caroni Central*): Madam Speaker, the hon. Minister and Member for St. Joseph indicated more or less his Government's stand with respect to education and he pointed out that they promised the removal of VAT from books and that is what they did.

Madam Speaker, I am hearing a groan from the Member for San Fernando East. I wonder if anyone is unwell in the Chamber.

I was wondering, in spite of the promises made about putting into place mechanisms for having the removal of VAT implemented, whether or not those mechanisms would have the teeth so as to allow, in a very speedy manner, the obtaining of books without the VAT. It is all well and good to indicate here that we are looking at it, but I think at this point in time, especially since the nation is complaining about not having the benefit of the removal of VAT on books, the Minister ought to have said in more specific details what those mechanisms were so that the public would be on the lookout in case they thought they were being fleeced at the book shops.

Madam Speaker, it would be the attitude of some of the book sellers to insist that they paid a special price for books and therefore it is right for them to recover their outlay. That argument has to be dealt with and I do not think that the Minister dealt with that matter. Rather, he indicated that the concession made by his Government to the students of this nation justified the imposition of the levy on gasoline.

I heard a funny bit of economics when the hon. Member for Diego Martin West spoke. The economics was that if there was an increase of 10 cents per mile on gasoline and a five-seater taxi was transporting passengers it really amounted to two cents per persons. I could not understand that, Madam Speaker. It would appear that every other thing in this society remained static. Would you imagine, that when the price of a basic item such as gasoline that is used everyday by the motoring public goes up, and in case of a breakdown of your vehicle in the normal run of maintenance and you go to any other shop and the prices of other parts went up, they all constitute in the final analysis to the transport cost?

I am not as learned as the hon. Member for Diego Martin West, but I would not subscribe to that piece of economics because there are other variables involved in the cost of transportation. I do know why the Member for Diego Martin West likes to look across here, but I simply want to say to him that man was not made for the Sabbath, the Sabbath was made for man and if his ass fell in a ditch on a Sunday, would he not go and rescue it? I leave him with that, he will know what the relevance is.

It has been said that the Government has actually given to the students, by the removal of VAT, an amount of about \$18 million. I just want to look at some figures to indicate that while that might be so, it would appear that parents and students must indeed pay much more for that concession.

We have in our primary schools, according to the data produced by the Central Statistical Office, an enrolment of about 189,099 students in 468 primary schools. We had enrolled in the secondary school system, Trinidad and Tobago 1988 to 1989, the traditional government schools—11,877 students; in the assisted secondary schools—18,274 students; in the junior secondary schools—39,904 students, in the senior secondary schools—21,756 students, giving us a total of 91,811. In the same period, in the technical/vocational areas we had 829 students attending classes and 936 students attending classes on a part-time basis bringing the total to 1,765. We also had at UWI—this is a total for all campuses—at the undergraduate level, 2,795 Trinidad and Tobago students registered and for higher degrees—3,158 students.

When we look at the total population of those who are in the formal school system we would see that we have just under 300,000 persons—288,628. But granted the fact that not every student travels to school by taxi or some other form of transportation it is well-known that many, if not all of our secondary school students, travel by some means. When I look at the number of secondary school

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students, which seems to be in the vicinity of about 100,000 persons, if you take that figure based upon what has been said, 100,000 students having now to find an additional \$2.00 a day for travelling for a year, the figure is much more than \$18 million. It might be close to \$14 million more for students to travel, based upon the increase in taxi fares. It is absolutely correct that much more than what is given in terms of a reduction in VAT has now to be found by parents as additional money for their children to travel. I cannot see that as being an advantage.

5.35 p.m.

What therefore is the solution? There must be some form of subsidy for children travelling. The Minister of Education indicated that his Government was extremely concerned about the matter and is now implementing a bus service for the school children. I want the Minister to tell the honourable House whether the catchment areas, in which he indicated the experiment would be carried out, are really the ones in greatest need. As I understand it, there is always a great need for any student to get to school and, therefore, I would like him to elucidate, limited as it is, what sort of arrangements are made for people travelling from Flanagin Town through Caparo to Montrose, or travelling from Debe through Papourie Road, through Monkey Town to Barrackpore, and whether those areas are not in dire need of the same type of service.

I want to ask whether the reason for excluding some of the other areas is that the road conditions are so bad that they do not intend to address that situation and it is easy for them to omit that section. That is one of the reasons. The other question is whether or not buses are available, and if buses are not available, what are the alternatives in terms of transporting the children. It is my view that once you are involved in education, there is no higher or lower need, there is the need for everyone to get to his place of education. Whatever frustrates that, frustrates the development of the individual and reduces the chances of his own ambition and, at the same time, put in a state of under-development, the resources of the country. I am not at all impressed by what the Minister of Education has said on this matter. Probably it was an attempt to pre-empt the very obvious but I do not believe that he has succeeded.

In the county of Caroni, there are 15 Government schools and 51 assisted primary schools. In Caroni it is well-known that the number of secondary school places available is below the national average and, therefore, a larger number of students than usual have to leave the vicinity to go to the outlying areas, maybe as

far as Curepe. Because of this, I hope that the Minister of Education would re-examine his priority list and at least find some measure of justice in his heart to negotiate with the other relevant ministries to broaden his net as quickly as possible, so that other students would benefit. The ideal is that no single student should lose an opportunity for his or her education because of the lack of transportation.

If students do not get to school because of prohibitive cost factors, there would be a tendency for deviants in the society that would ultimately increase the social cost. Is this Government trying to save a penny to the peril of the nation and its people?

5.45 p.m.

Madam Speaker, today we are being asked to support the measures brought as a consequence of the budget by the Minister of Finance. I wonder how one could really indicate to this nation that the provision of the budget really shares the burden equitably on this society. I cannot understand the logic because VAT by its very nature is regressive. Then, again, a system of progressive taxation that does not benefit the poor man is regressive to the extent that when you tax the middle and lower middle income persons, in fact, that is a system of regressive taxation shaded in a progressive stance.

All around there has been an increasing burden to the poor and the middle income person in this country. For example, the point is made but has to be mentioned once more, for clarity sake, that even those who are unemployed, with the little bit of transfer income they earn, as they buy basics in the shops, they, too, have to pay tax. I have no doubt in my mind that the measures introduced by the Government are disguised and sooner than later the real pinch is going to be experienced by the population.

On the question of school books, the hon. Minister indicated that they are going to be made available and affordable. Again, that is a point of contention not only now. Unless basic textbooks are standardized, the whole exercise would be meaningless because there would be too much more for manoeuvre, especially in a market where prices are imperfect.

Madam Speaker, let me suggest to the hon. Minister that if he is serious, let there be a beginning with respect to the standardization of basic textbooks so that students across the nation would benefit. These books would be passed on to other students, and you would prevent the sort of speculation on the book market, especially when there could be artificial creation of scarcity.

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Not only that, it is an almost impossible situation to go to different schools that are doing the same course work for the same examinations to find different books being used. I am not saying that only standardized books are necessary for passing examinations, I am not saying that at all. What I am saying is that there are certain basic elements in terms of curricula and course content that must be kept and altered in a general way when necessary. The other informing literature could be obtained by a good library at each school.

That would become necessary because you say you stop the importation of foreign books, your country is going regional in terms of the examination content—Caribbean Examinations Council; you are making education relevant to the Caribbean. But at the same time, even when we reach that point, there are several bookmakers trying to satisfy that demand and one is not sure whether the students would benefit because there seems to be some sort of conspiracy in the printing of books and the numbers available.

It is well-known, Madam Speaker, that several booksellers, even book writers, lobby principals in schools and other influential persons in the education system to accept their books as the means of literature.

Madam Speaker, we cannot afford, from the point of view as parents, to have a situation where the whims and fancies of particular persons in the education system create a situation that makes it difficult for students and parents. We all know that. I hope that if they are so concerned about the students in this land, that they would do something about standardizing the situation, having more or less a uniform price throughout the country, and at the same time having libraries that would meet the additional needs of the students.

I cannot leave this matter without also indicating that it is not only the students who suffer. Teachers also suffer because from time to time they want to keep abreast of their profession and to get additional books for their own professional improvement. They, too, have felt this. But there is another concern that must be addressed.

In this country, if you go to the Teaching Service Commission, you are going to be told that there are hundreds of people in front of you who are waiting for a teaching job; interviewed, qualifications there, everything, but when you go the schools in the rural areas, there are scores of teachers who are not at their classrooms, maybe because they find the distance to travel is too far, or they have not accepted their appointments. Case in point recently was the Mayaro

Composite School. I was told that up to a dozen teachers could not take up their appointments because the distance was too far.

Madam Speaker, how do you expect teachers maybe from Port of Spain or Central to travel every day? Is there another consideration by the Minister and his Government with respect to the recruitment of teachers in the outlying districts of Trinidad and Tobago, so that teachers would be able to accept appointments and would be happy to be there because the incentives are right? Somewhere the system breaks down. This must be addressed. It is not only so in Mayaro; for some time it was so at Barrackpore Junior Secondary School, Senior Secondary School and, indeed, elsewhere.

The situation of the educational services and system in this country today, is bad to the extent that it is explosive. To the extent that there is difficulty in children getting to school and teachers getting to school it will be worse. Caroni Central Primary School has severe problems. Recently, Preysal Government had to be shut down because of bad sanitary conditions. Today, Palmiste Government is shut down because of sewage in the water. Lendore Hindu is in critical condition, I am being told, and throughout Caroni and elsewhere.

Whatever is happening to the educational system, the removal of VAT is merely a very small token in its total improvement. Here one might say that there is a dire, begging and crying need for the Government to do something to keep the educational system alive and well, because if that breaks down, the 300,000 persons, almost a quarter of the population in the schools that they have, there is going to be trouble.

Also, I cannot understand, in spite of the statement made by the hon. Minister of Health, why much more care and attention is not given to a situation in which the sanitation problems are massive throughout the school system. But that aside, I feel that the little concession made with respect to the removal of VAT leaves much to be desired.

The issue of the coconut industry in Trinidad came up for debate. Again, I want to really find out what is going on. The Minister of Agriculture at least attempted to give a plausible explanation as to the state of affairs in the coconut industry.

I have here a clipping from the *Express* of Tuesday, January 21, 1992, on page 13, headlined, "The coconut industry stuck with its oil", which states:

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“The same old problems continue to threaten the coconut industry and the 12,000 people who depend on it but the same solutions are no longer acceptable.

The Coconut Growers Association (CGA) wants Government to sit down with it and the other players in the industry and arrive, once and for all, at a long-term sustainable solution. The latest development in what has been an ongoing situation since 1986 is the announcement by CGA that, as of yesterday, it will cease buying copra from coconut farmers until further notice.”

It goes on to say in another part:

“ ‘One solution’, Traboulay said, “was that Government implement some price mechanism that would bring the price of the cheaper soya bean oil on par with coconut oil. This, together with a coconut oil marketing campaign that CGA plans to launch, would help increase demand for coconut oil and so help the survival of the industry.’ ”

Madam Speaker, we are being told that there is not an adequate demand for coconut oil in this country. I wonder if that has to do with the fact that so many reports have indicated that coconut oil is high in cholesterol and therefore consumers who are health conscious are not taking the risk. It is time for the Ministry of Agriculture to state the facts on coconut oil. It is time for the population to be educated as to the contents of coconut oil and whether or not coconut oil, in fact, has more cholesterol in its contents than other edible oils.

Madam Speaker: Maybe the hon. Member might pose that as a question to the Minister of Agriculture in due course of the sitting of this session. I do not think it is really relevant to the point in issue at this time.

Mr. Palackdharrysingh: Madam Speaker, maybe not, but what I am trying to indicate is that there is a certain perception about the oil that has caused the whole industry to be affected and it is the Government’s responsibility to clarify its position on it. That is the relevance of that matter, Madam Speaker.

I hope that the Government would consider what I have said. I hope that his caring Government will not treat matters that I have raised in a very flippant way, and I also hope they understand the gravity of their inaction.

Dr. Rowley: Could the Member give way? Just on a point of clarification, I think it would be remiss of me if I permit the Member to enter into the record that there is Government inaction on this very crucial matter. I think I was very clear that the Government was taking what steps were available to try to discuss the problem and find some solutions. It is unfair to speak about inaction.

Mr. Palackdharrysingh: Madam Speaker, it is good to see that someone would respond and it is a good note on which to end.

Thank you very much.

Mr. Valley: Madam Speaker, I hope that this attitude continues in this House for the next five years.

Motion made and question proposed, That the House do now adjourn to Friday, February 7, 1992 at 1.30 p.m. [Hon. K. Valley]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.05 p.m.