

*Affirmation of Allegiance*

*Friday, February 7, 1992*

**HOUSE OF REPRESENTATIVES**

*Friday, February 7, 1992*

The House met at 1.39 p.m.

**PRAYERS**

[MADAM SPEAKER *in the Chair*]

**AFFIRMATION OF ALLEGIANCE**

*Miss Pamela Nicholson took and subscribed the Affirmation of Allegiance as required by law.*

**PAPERS LAID**

1. Annual report of the Eric Williams Medical Sciences Complex Authority for the periods October 1, 1989 to December 31, 1990, respectively. [*The Minister of Finance (Hon. Wendell Mottley)*]
2. Administration reports for the National Lotteries Control Board for the years 1987 and 1988. [*Hon. W. Mottley*]
3. Report of the Auditor General on the accounts of Trinidad and Tobago Methanol Company Limited for the year ended December 31, 1990. [*Hon. W. Mottley*]
4. Report of the Auditor General on the accounts of Trinidad and Tobago Export Credit Insurance Company Limited for the year ended December 31, 1990. [*Hon. W. Mottley*]

*Papers 3 and 4 to be referred to the Public Accounts (Enterprises) Committee.*

**PROVISIONAL COLLECTION OF TAXES ORDER**

[SECOND DAY]

*Order read for resuming adjourned debate on question [February 5, 1992]:*

*Be it resolved that the Provisional Collection of Taxes Order, 1992, be confirmed.*

*Question again proposed.*

**Mr. Krish Jurai** (*Nariva*): Madam Speaker, I wish to make my contribution on the Provisional Collection of Taxes Order 1992 with respect to the Motor Vehicles and Road Traffic Act.

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I wish to state that the removal of vehicles from the negative list, plus an increase in the proposed custom surcharge and the increase in the price of gas, and other related products, would lead to a heavier burden on the motoring public.

I want to show by way of example what a motor vehicle will now cost—and I am referring to a Nissan 1.6 motor car. A Nissan motor car, at present, costs approximately \$75,000. The information I received from Neal and Massy Motors is that the price of this imported 1600 cc vehicle would be approximately \$115,000. If we add the proposed surcharge of \$2.50 per cc that will be an additional \$4,000, making it a total of \$119,000. If we were to add conversion cost to CNG, that would be approximately another \$7,000—a total of \$126,000. If we exclude the conversion of the CNG (Compressed Natural Gas), it means that the imported car would cost \$115,000 as opposed to the locally assembled vehicle which would cost \$75,000—this is a difference of \$40,000.

Madam Speaker, are we trying to rule out the small man from owning a motor car? At this fantastic price, how many persons in the poorer section of the society can afford a vehicle at the price of \$115,000?

In the same vein, a Sentra which can be used as a taxi will cost only about \$3,000 or \$4,000 less than the prices which I have just quoted.

The increase in price of the motor vehicle would lead to increase in taxi fares. The reason I am concerned about this, is that I am referring to transportation systems in the areas which are not served by the Public Transport Service Corporation. I am thinking of areas like Biche, Tamana, Plum Mitan, Coalmine, Fishing Pond, areas in the countryside—the feeder routes. In these areas people are finding difficulty to get transportation. What we are saying is that we need small vehicles to operate in these areas.

I also want to show, by way of example, how costs will rise with the proposed increase in the surcharge on vehicles for the transportation of goods—and this is referring to vehicles with weight of 6.6 tons and over. There is a proposed surcharge of 50 per cent on these vehicles. This increase in cost added with the 50 per cent surcharge as proposed will lead to an increase in the cost of transportation, and I also want to show, by way of example, what the increases will mean. I am using a figure of \$100,000 on the c.i.f. price of an imported heavy duty vehicle. On a c.i.f. price of \$100,000, if we are to add the 50 per cent surcharge, that would be another \$50,000; add a 10 per cent duty, which is \$10,000; and a 20 per cent stamp duty, which is \$20,000 making it a total of

\$180,000. To this we now have to add VAT of \$27,000, so the landed cost of this vehicle will be \$207,000, and to this we also have to add additional fees—brokerage, insurance, *etc.* So the \$100,000 vehicle is now costing twice as much or rather even more than twice, the imported cost \$207,000 as opposed to \$100,000. *[Interruption]*

**1.50 p.m.**

**Mr. Mottley:** On a point of clarification. I think if you look at the amendments that we have tabled, you will see that the vehicles over 6.6 tons of gross weight are excluded from the surcharge. That is in the amendment before you.

**Mr. Jurai:** Is there a 50 per cent surcharge?

**Mr. Mottley:** No.

**Mr. Jurai:** Oh, I am sorry. But still, if you look at the cost of the duty, the price is going to rise by a substantial sum. So we have to look at the overall aspect—what is it going to cost the people who have to transport their goods to the market. It means, therefore, that prices are going to rise all around, because, once a vehicle is imported and you have these duties imposed on it, the transport cost will increase, and I am thinking here mainly of heavy duty vehicles. It means, therefore, that the construction industry would suffer and I think this is where the Government is placing emphasis that is on the growth of the construction sector. They are talking about the kick-off in the construction industry and if prices are going to rise, and certainly they will, because when we consider the increase in the price of gasoline and all the other related products, it would mean, that food costs will also rise. Transporting goods to the market and from the port to distributors and retailers would mean that we will now have an increased cost all around. This will therefore lead to an inflationary effect which is going to defeat the very purposes which the Government hopes the budget would solve.

Madam Speaker, I am talking here about increase in transport costs and I want to relate this to farmers whose commodity is on a fixed price control by the Government, and here I am referring to rice—the price of paddy has been fixed at 89 cents a pound and this price was fixed over ten years ago. There was a subsidy on the paddy which has since been removed. The farmer is now therefore faced with increased cost and the price for his paddy is fixed. I would therefore urge the Minister of Finance to look into these areas to see where incentives can be given

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to farmers so that they can reduce their transport cost. But, what is also included in the surcharge net, Madam Speaker, are vehicles which were previously excluded namely station wagons, small vans, pick-ups, and this now attracts a surcharge of 15 per cent.

Madam Speaker, if you look around the market and the street vendors you will see many people are trading in small vans and pick-ups, station wagons and so on—the small man, the people going around selling clothes, food so forth. The increased surcharge of 15 per cent would mean, therefore, it is defeating the purpose of setting up the small man in business. Now he has been faced with an additional cost of 15 per cent. I strongly recommended that if the Government is serious in promoting small business, this is one area which they ought to look seriously into and abolish the 15 per cent surcharge, on the range of vehicles which I just mentioned.

I want to go back to the budget speech, Madam Speaker, where the Minister of Finance said on page 29:

"For safety reasons, some measure of control will continue to be exercised over the importation of used vehicles."

I agree with the Minister when he says that, because I am also concerned about the safety aspect of used vehicles. But if a new small car is going to cost \$120,000 why not give some consideration to importing used vehicles, say, vehicles three years old and under or, perhaps, vehicles that will not attract foreign exchange—perhaps it may be a gift from someone abroad or someone who does not have to send foreign exchange abroad to get a vehicle. On the other hand if we are so concerned about the safety aspect, perhaps it might be a wise idea to get a certificate of road worthiness from a competent authority before the vehicle is shipped. I think this can go a long way in allaying our fears about the used vehicles.

I am very concerned about the rise in transport cost, and again I am forced to refer to my constituency because we have no buses, no public transport at all. Areas such as Biche, Plum Mitan, Tamana, Valencia, Charuma, Rio Claro have no school buses whatsoever. It is costing children between \$16 and \$18 per day to and from school. This is a fantastic sum when you consider that parents are not working, and no jobs are available. So we have to look very seriously at this. What I would urge the Minister to do is to give some financial relief to small taxis so that the drivers can operate in those areas, particularly in the

country districts where the roads are narrow and winding and where there are many landslips and large depressions.

Only recently a bus service was introduced in the Four Roads/Tamana area from Sangre Grande, but the service had to be terminated because of the landslips. The road is very narrow, the bus drivers cannot negotiate the bends so that had to stop that bus service. I am therefore urging the Minister to give some concession to small taxi operators so that they can fill that void that is being created; or on the other hand perhaps the Government should consider introducing small buses for those areas where you have narrow road, landslips, and winding roads. Drivers of large buses cannot negotiate those roads, so we can introduce smaller buses, 10-seater, 12-seater, as the case might be. I think, that will go a long way in solving the usual transportation problem. In my constituency the people are suffering through the lack of public transportation. The cost of transport is exorbitant because there is no competition between the public service transport and whatever means of transport is available, so they are forced to pay the fare that is demanded.

The Minister concerned ought to give prime consideration to this, since the more developed areas—the built up areas—are well served by the public transport system and also by maxi taxis. Hence I am urging the Minister to look into those areas where, as I said, small buses cannot go. We need to look very closely to relieve the plight of the poor man in the countryside.

I am, therefore, urging the Minister, once again, to give consideration to this—reduce the surcharge that he has proposed, on all motor vehicles including maxi taxis as proposed in the Provisional Collection of Taxes Order 1992.

**2.00 p.m.**

**Mr. Sahid Hosein** (*Siparia*): Madam Speaker, when you are a winner, when you are a leader, and especially if you have power, people have the tendency of telling you what they think you want to hear. If they tell you often enough, people have a way of starting to believe what they have been told. So when the Member for Oropouche, on the last sitting, rose and advised caution and mentioned the possibility of unrest, it was not that we, on this side, were wishing that there should be unrest in the country. We were simply saying, "look, given the situation, given the contents of the budget, given the feelings of people outside there, the possibility exists that their might be some sort of disturbances."

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I want to make the point, if there is any unrest, it is not going to affect the PNM administration alone or the supporters of the PNM; it will affect those on this side also, as it indeed will affect the citizenry at large. The situation is such that many of the have-nots in this society simply could not care which administration is in power, because to them, they have to wait until their children are six and seven years old to get a place in a primary school. To them, going to the health offices is a waste of time, because to say that you run an assembly line operation there is to be charitable. To them, going to the hospitals means invariably, having to lie on a bed in the corridors of the hospital. So to them it really does not matter which administration is in power—their lot does not change.

This is why we keep saying on this side that the emphasis should not be merely on numbers or on balancing the budget, but the budget should also point a direction, some slight ray of hope for the citizens of this country.

As I said in my presentation on the budget, I am saying again, if the Government does not have the will and the courage to address the issue of productivity in this country, it really does not matter which administration is in place. Because our role models should be the African woman, who walks from sunup to sundown, from Siparia to Debe, every day, eking out a living, selling snow-cone, invariably with a child in the cart. Our role models should be the East Indian family with the little three and four-year old in the lagoon every day, not depending on the state, but on themselves, to eke out a means of survival.

Notwithstanding that, it would seem to me, that for whatever reason, given the shortage of time or what have you, this budget was prepared, and as the debate went along, the consequences of the budget were looked at only after. If this is the way the PNM intends to run this country for the next five years, take action and then look at the consequences, then we are indeed going to be in a serious bit of trouble.

You see, much has been made of the cost of gasoline, whether it is from one cent to ten cents, or what have you, but to the travelling public it means a lot. They have been hit a double whammy. In addition to the increased price, you also have maxi taxis, most of which are over \$200,000, and you now have to pay a surcharge of 11.25 per cent of the market price. So you not only increased the price of gasoline, you have also increased the means of transport. Do you not expect it is only inevitable that transportation would rise? Have we examined, really, the cost in the rise of gasoline? Maybe there should have been concessions to the oil companies, for example Trintoc, which maintains a very large fleet to

go about its normal duties, notwithstanding the fact that the intention is to introduce CNG. That is for their own vehicles. But they also provide gasoline for a large fleet of rental vehicles. Have we looked at the cost and the implications of the viability of these oil companies, given the large outlay? Have we looked at the implications of the cost?

For example, how is it going to affect the viability and the future conduct of PTSC, given the fact that the hon. Member for Laventille West has given instructions that school buses must be reintroduced? Is it going to act as a deterrent to the introduction of additional buses? I must confess, I am a bit disturbed, having looked at the proposed routes that these school buses are going to cater for, because there seems to be a bit of inequity in the allocation of these school buses. I see the East-West Corridor is well represented; I see Tobago is well represented. I am extremely happy for them. In fact, this should have been the case long ago. I believe it was the Member for Diego Martin West who said on the last day of debate that his administration proposes to apportion resources equitably. What I saw in that document does not bear out that fact. Maybe there should be some revision of the routes.

More importantly, has the Member for St. Ann's East considered the implications of the rise in excise duties on gasoline for county councils, given the fact that the allocation for local government bodies is nothing to boast about? What effect is it going to have on the price of garbage collection; on the price of delivery of water and what not? But more importantly, given the fact that we have been told by the Minister of Health that we cannot escape the cholera epidemic, the Member for Diego Martin Central with responsibility for local government is strangely silent on the backlog of cesspits and septic tanks, which are to be cleaned. The situation has reached crisis proportion and we are not hearing a single word from the Minister of Local Government as to what is going to happen.

I would have thought that given the fact that the local government bodies do not have cesspool emptiers, the Minister would have come to this House and told us, "look, we have approached the Solid Waste Company, who have similar equipment; and we have instructed WASA who have a certain amount of equipment, to deal expeditiously with the backlog." But strangely, we are not hearing anything. Added to this, there are so many schools being closed on a daily basis for the same reason, and we are hearing silence from that side.

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I remember the olive branch was offered, and I would have thought with the offering of the olive branch that it would have meant a different method of operation. Certain information would have been given freely and we, on this side, would not have to elicit and force out information from Members on the other side.

**2.10 p.m.**

I think the Minister is all too aware of the hundreds of thousands of applications for cleaning of cesspits since 1989 and 1990, therefore I need not say more on that issue.

I just want to say a few words on the local government situation. It seems to me that we are not going to have local government in the short term, if at all this year, and for a number of reasons. I see the Members on that side, maybe they know, but they seem to be very skeptical of that statement. When you look at the fact, if there is going to be a change in law, boundaries and what have you, the EBC has to get involved and they have to be given sufficient time to do their business.

What is worse, Madam Speaker, is that it seems to me that with the change of every administration—every administration has their own views on what local government ought to be. Every time the administration changes, there are plans to change boundaries, districts, positions, philosophies and what have you. I think the time has come, if we are genuinely serious about local government, for all political parties to get together, decide what local government should be and enshrine it in the Constitution and leave it. We are going to end up changing the laws every five years, if administration changes, since they would want this because it fits with their philosophy and what have you.

During the course of this debate, I have had the opportunity to sit and observe the Members on the other side. What I have seen, given their attitude and what has been said by some Members, it seems to me that it is not an olive branch, but they are offering roseau branch.

Thank you.

**The Minister for Local Government (Hon. Kenneth Valley):** Madam Speaker, as Leader of Government Business, I am compelled, really, to confess how pleased I am with the atmosphere that has so far prevailed in this House. There is a camaraderie between the Government and Opposition that has been unknown in the last Parliament. As you know, I served a certain period in the



lower House in the last Parliament. Obviously, we disagree without becoming disagreeable. Having said that, I would like to welcome most sincerely, our colleague, the Member for Tobago West. We hope that very soon we would be able to welcome the Member for Tobago East.

Madam Speaker, with respect to the Order before this House, one cannot help but note that like the ordinary man in the country, the Opposition approves of the budget measures. We have seen some contradictory signals. We know, and we have been there—for a short time, I may say—so we know that the Opposition must, in fact, say something. We thank them for their contributions and their approval of the budget. If we look at what has transpired, with respect to this Provisional Order, we heard from the Member for Couva North. His point was the fact that because of that rise in gas prices and so on, there is an increase in the cost of living.

That is a fact. We confess, we increased the price of gas and we knew that there would be a certain cost increase. One must remember, however, that the inflation rate for 1991 was some 3.8 per cent. An inflation rate of any country is really the pulse rate of the economy, it is an indication concerning what is happening in that economy. In the same way that one's own pulse rate ought to be between 60 and 90 and that you are getting a certain message if your pulse rate is 30. One must bear in mind what, in fact, an inflation rate of 3.8 per cent is telling us.

So, yes, we knew that there would be an increase in cost, but we say fine, so what happens if in 1992 the inflation rate is 5 or 6 per cent.

**Mr. Sudama:** Madam Speaker, could the Member tell us exactly what he means by what signals are given by an inflation rate of 3.8 per cent? Does it imply that the economy is not functioning or functioning below its acceptable level?

**Mr. Valley:** Madam Speaker, I am saying that the same way that the individual's pulse rate at 30 would tell us something about the state of that individual's health, in the same way an inflation rate for Trinidad and Tobago at 3.8 per cent says certain things. We can look at the unemployment rate and see what it is saying.

We heard from the Member for Oropouche. His position, whereas the Member for Couva North is telling us that we went too high with respect to—

**Mr. Maharaj:** Madam Speaker, on a point of order. I have not spoken as yet.

**Mr. Valley:** I am sorry, the Member for Couva North. My sincerest apologies, my friend.

The Member for Couva North's basic point was that the increase in gas prices is too high, it is causing all these things in the economy. But, at the same time, the Member for Oropouche said that first of all, we gerrymander our figures; we are not going to get what we expect with respect to excise duty on oil, cigarettes or what have you, and at the same time, he was making the point that we promised a reduction in value added tax and we did not give that. Of course, he too was making the point that the gas price is too high.

Very simply, if one buys the concept that the need to stabilize the economy required the management of the current surplus, one sees the contradictory nature. The contradictory nature of the premises is that one is saying that we should have reduced revenue by reducing VAT, giving a lower level of gas price increase, that we should have made a lower assumption with respect to oil prices—the \$19 figure, it is claimed was too high, although it is the figure from the IMF; and at the same time, they are talking about expenditure in certain areas, that expenditure ought to be higher.

Now obviously, the net effect of all of that would have been a current account deficit. *[Interruption]*

**2.20 p.m.**

**Mr. Sudama:** Madam Speaker, when the hon. Member is making statements which he cannot justify or, he is making statements with clarity, it is my duty to get up and ask for clarification.

First of all, I wish to ask him: are the figures and estimates for value added tax to be collected in 1992 valid? Are they accurate or not? Secondly, are the excise duties charged on gasoline, tobacco and alcohol, accurate or not? It is for you to tell me whether that is so or not. Thirdly, if you are going to take away value added tax from school books and some other items and in the same breath estimate for an increase in proceeds from value added tax in 1992 what exactly are you telling the population, that your estimates are based on assumptions, where value added tax would bring in more revenue than you are levelling with the public? In those circumstances you could have reduced the percentage charged on value added tax. That is the point I was making and that is the point which you must address.

**Mr. Valley:** I was making the simple point that the net effect of reduction in revenue as the Members proposed, and an increase in expenditure would have been a lower current surplus or a current deficit and because of the need to stabilize this economy, the issue was to ensure that there was a current surplus. We take our job very seriously. We knew that we had to have a current surplus.

Let me answer the Member on a specific point he asked. He made the point in the debate with respect to the excise duties and obviously, as a serious Government we asked our people if there is a problem with those figures please, let us know. This is the information I have received and I shall put it into the record.

The principal reason why it may appear that the estimates of the revenue to be derived from excise duty in 1992 have been overestimated centres around the estimates for oil receipts. These receipts which account for 61 per cent of the total for 1992 have been shown to rise by just over 150 per cent. The Draft Estimates of Revenue indicate the following in respect of receipts from the excise duty on oil: the 1991 original estimate is \$280 million; 1991 revised estimates—\$212.2 million; 1992—\$535.1 million. However, the estimates were distorted because of the fact that an amount of \$67.8 million payable in 1991 is now expected to be paid in 1992. It was not paid in 1991, it is going to be paid in 1992. Indeed, payments have already been made towards these arrears. I understand \$46 million has already been collected with respect to those arrears.

If the estimates are adjusted such that the amount of \$67.8 million is deducted from the 1992 estimates and a similar amount is added to the 1991 outturn then the numbers would be as follows: 1991 original estimates—\$280 million; 1991 revised estimates—\$280 million; 1992 estimates—\$467.3 million. With the adjustment it will be seen that the 1992 estimates are just 67 per cent above that of 1991 which is consistent with an increase of 75 per cent on excise duty.

The increase in the receipts from the other items is approximately 64 per cent which is also consistent with the 50 per cent increase in the excise duty on rum and beer and a 75 per cent increase in respect of cigarettes.

Madam Speaker, we take our job seriously. If there is a problem we will correct it. If something is right, it is right; if it is wrong, it is wrong.

With respect to the increase in the value added tax, yes obviously we are encouraging persons to do repairs as you know. This is an example. We are providing \$12,000 per annum as a deduction for repairs and maintenance and if

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one were to take that up—because we are encouraging persons to do that; incrementally—one would see there that there would be an increase in value added tax because one would have to pay value added tax on materials purchased. You are looking at an increase in value added tax; we expect an increase in economic activity. Madam Speaker, we have paid public servants. We will be giving them their correct salary as of March 1, 1992, and therefore we expect that some of those funds will be spent. We expect an increase in the level of economic activity.

With respect to the value added tax, the Member very incorrectly made the point that we promised a reduction in value added tax. In our manifesto we said—and I want Members to bear in mind that the manifesto is here for at least a five-year period—that the rate of value added tax would be reduced and the range of exemption will be widened to include school books, medicines and the broader definition of basic foodstuff, under assistance to the lower income group.

When we came to our programme for 1992, what we defined as our short-term economic recovery plan—and we made this point on the platform that we knew we could not reduce the rate of value added tax in the first year because we did not know that we would meet when we got there. We said that in the manifesto under the short-term economic recovery plan, which we said is our plan for the first two years, we said quite clearly, exempt medicines, school books and a wider range of basic foodstuff from the VAT net. Under our short-term economic recovery plan, we did not say that we would reduce value added tax because our short-term economic recovery plan is the plan we expect to put in place in the first two years. This is our covenant with the people so we want you to judge us on this.

The Member for Couva North quoted a journalist writing in the newspapers, talking about the people being elated. They are elated because they know the PNM is keeping faith with the manifesto. There was the suggestion in the article from which he quoted that the PNM also promised to pay the arrears. That is not true. As anybody who looked at our manifesto would know, we did not promise to pay the arrears in 1992. We said we will pay the people their correct salaries and we would sit with them and negotiate with respect to the arrears. We said the same thing with respect to the Caroni employees but they would go up and down the place making the point that we would pay the public servants their correct salary but nothing for Caroni.

We have stated quite clearly in our manifesto what we plan to do with respect to Caroni workers and that is what we are going to do. *[Interruption]* Yes, and more than that, when it was drawn to our attention that there might be some Caroni employees who were not getting their correct salaries, we took steps immediately to correct that situation because we are a Government of all the people. We have been a national party since, 1956 and we will continue to be the only national party in Trinidad and Tobago. *[Interruption]*

Madam Speaker, the need to stabilize the economy is here and we know and acknowledge that. We know, however, that we must do things to make the pie bigger, to get our people working, to get the economy growing, to earn foreign exchange and this is why in the Provisional Collection of Taxes Order, there is that emphasis on encouraging savings in the middle and lower income groups by the tax free bonds. We know and acknowledge as a fact that if you want investment and to move your economy the first thing you have to do is to increase the saving rate and you have to tap new markets. That is what we are doing, encouraging the lower and middle income groups by moving to the tax credit, to save. If the pool of savings is enlarged then there would be more moneys available for investment. We want also to set the scene so that foreign investors would be welcome.

When I spoke in the budget debate I made the point that we were going to work on a programme to equitize as it were, our debts to Caricom countries and I can tell you that already we are getting good feedback with respect to that.

**2.30 p.m.**

I got a note from somebody in Barbados, last week I think it was, saying that it was the best idea they had heard for a long time. We want to pursue that because we know that to get out of the current situation we have to expand our economy. We have to do things. We do not know how many people have noted it.

We said in our budget that we are going to allow individuals and young people to access their pension funds for downpayment for the purchase of their new homes. We said that in our budget speech and we said it could be taken out without paying tax. Lo and behold, I turned on my television one morning and on CNN, I saw that President Bush, as part of his tax package, is doing the same thing in North America—allowing persons to access what they call the IRR. He is listening to the Minister of Finance. The only difference is here we can take it out without paying tax; whenever they take it out over there, they have to pay tax, so that we are ahead of them. Those are the issues.

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Still in the local government mode, the Member for Siparia, my good friend, if he wanted to be a county councillor, he should have been there with me earlier this morning at 10.30 a.m. when I met with all the conveners of the different regions. For his information, I am meeting with the conveners once per month. I met with them on January 20; I met with them at 10.30 this morning and we spoke about the emptying of cesspools, we spoke about sanitation and we have a plan, we spoke about utilizing unspent balances. But I am not one of those to come and shout about what I do. I promise you will see it in your region very soon.

I can inform you that Solid Waste now has a new board and will be getting into the act. The convener, Mr. Tikasingh from Chaguanas will be contacting Mr. Jones from Solid Waste; the convener from Princes Town, from Debe/Penal, Mr. Mahabir, will be contacting Solid Waste to take care of that cesspool problem. I know that it is a problem. We are all aware of the cholera threat. We are working on it. We are meeting again with the conveners on March 5—in other words, on Thursday after Carnival—you are invited. We are doing our job. We have been performers wherever we worked and we will continue to be performers.

Madam Speaker, I thought I should just make that slight intervention in this debate. I thank you.

**Miss Pamela Nicholson** (*Tobago West*): Madam Speaker, firstly, I should like to express my thanks to Members for welcoming me here this afternoon. The only thing I would have liked is that the welcome would have been really true throughout, and in Belmont it should not have been so disastrous, in that when one is ill, illness is recognized, and that when one is the Prime Minister of the country, Member for San Fernando East, errors like that should not be made. I am just giving you a little advice.

I am very pleased to be here today to express my regret that I was not here before because of my ailment. I am still not too well but I feel that I am fit enough to make some effort for Tobago. I did not come here today to speak, but when I heard some of the discussions here this afternoon, I thought that I must rise on behalf of the people of Tobago.

When I listened a while ago to the Member for Diego Martin Central, he argued that the present Government is a national Government—a Government of Trinidad and Tobago. I will now prove to him that it is not a national Government based on the governmental positions taken, and the area which I will

deal with is the gasoline area. What the increase means—and I will not go into all of that because the country is feeling the weight already; those who made the wrong decisions are feeling the weight. But the area which I want to use to show him that it is not a national Government is, in the budget, the Minister of Finance argued that, in order to deal with the—

**Mr. Valley:** Madam Speaker, just on a point of clarification. I wonder whether the Member would tell us what she meant by the country making the wrong decisions?

**Miss Nicholson:** He is a little too sharky; he must wait.

The point that I am making is that the Member for St. Ann's East in the budget stated that the decision was taken on gasoline because there was an alternative found that would be much cheaper than gasoline. On page 29 of the budget speech, with respect to the motor vehicle industry in general:

"The Government is fully satisfied that significant benefits will be gained from the increased use of compressed natural gas as a motor fuel."

And, as a national Government, I want to ask: Where in Tobago is the compressed natural gas station where Tobagonians can go to get natural gas into their vehicles? I would also like to ask the People's National Movement national Government: Where is the gas on the North Coast coming from? Why is it that I am not seeing the compressed natural gas station to deal with Tobago? The country is Trinidad and Tobago, and if you take a budgetary position that you are going to put compressed natural gas stations throughout the country to service the motor cars because that will give us a cheaper service, Tobago is a part.

**2.40 p.m.**

It is Trinidad and Tobago and not Trinidad and Cedros, and not Trinidad and St. Ann's, and not Trinidad and Diego Martin Central. It is Trinidad and Tobago. Therefore, if it is Trinidad and Tobago, clearly an error has been made, because we are very anxious to see the natural gas station so that we can go and get our compressed gas into our vehicles. I would be very happy to have an explanation on that, so that I can carry back the information to the Tobagonians so that they, too, will know that we really belong to Trinidad and Tobago and that we, too, can have compressed gas put into our cars so that it will be much cheaper for us to run our cars and we would not be solely dependent on the fuel at the present price—I do not know, because I cannot even pay, my car has to remain in my garage until the Minister of Finance can deal with the compressed natural gas

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station—I am being very serious. The Member for Diego Martin Central argued that he belongs to a serious Government and we are a serious people in Tobago. We believe that when a national position is taken, that position must cut across Trinidad and Tobago and that position should not be for one section of the nation and the other half left unattended. Perhaps the Minister of Finance will be able to assist us in that discourse.

When I listened to the representative for Diego Martin Central, the Leader of the House, trying to postulate an argument that the serious Government has paid the public servants and in so doing, the serious Government expects much more activity in the economy, I was a bit disturbed, in the sense that on the one hand, he knows that he gave the 2 per cent and the COLA, but he took back the same 2 per cent and the COLA from the people. You must not make unfair statements. I do not want to say he is dishonest because the Speaker might pull me up here this evening and I do not want to start getting too hot too early. He knows that the same public servant from whom this extra activity is expected, cannot give that activity, because that person is bawling already, the person is bawling because of the same gasoline prices, the person is bawling because of the sugar and sugar-related prices. They are bawling because of the high cost of living. They were far more comfortable before, but you have so knocked them into unconsciousness and silenced them that they cannot open their mouths. I will be coming back to save them, Madam Speaker.

So I just want to clear that air, because the role that the Minister in the Ministry of Finance, who is also the Minister of Local Government, has to play in re-economic activity, when I listened to his argument, I was very disappointed. One, he was unclear in what he was saying; two, his arguments are totally illogical and no activity can be expected. What will be happening is that there will be a further deterioration in the economic activity in this country.

He also argued that bonds and so on—that is always a limited area. It is around 5,000 to 6,000 people that always purchase bonds. It will always remain within that confine. Therefore, that increased activity that they are looking forward to seeing, I am confident that they will not see that activity. You should not disturb projects that are progressive and productive and take actions like you took this week or last week by sending home some LIDP workers. *[Interruption]* I am a serious Minister. Two hundred and six daily-rated *[Interruptions]* I like the camaraderie, but I like silence when I am speaking so that you can listen. I listened very carefully, because I knew that I had to speak.



The number of workers: Now, I am not just arguing for the workers alone. It is the whole situation that you have interfered with. The programme that you are trying to devastate, the programme that you are trying to destroy, the whole of the Caribbean, they are calling on us to come to implement the programme in that particular way, the way it is structured, in their islands.

Madam Speaker, what is very saddening about the whole thing, I am not concerned about ideological views, but when something is progressive you should not interfere with it. The same employment that Minister Valley was speaking about, the Member for Diego Martin Central, he was talking about what would happen in the economy so that it could impact upon unemployment. I am sure I heard that argument. Yet the same unemployment, look at what you are doing.

I am arguing that the whole unemployment situation was very well addressed and one would see action in it, although they have hated the situation that the unemployment level came right down to 17.6 per cent and nobody heard anything about it. That is factual. *[Interruption]* Well, I was sick, so I could not get to give you the blade too early. But Madam Speaker, I am serious about this. I do not feel that if one is serious about people, I do not feel that if one cares, as you say, that you would be defecating on the people at the same time, by this kind of action that is taken here. We are talking about the country, we are talking about the people. So when I talk about the whole unemployment situation, that is the background that I am talking against, because I do not know who the people are, I do not know where they are from. I do not know them, but I am very concerned about Trinidad and Tobago, because when I functioned, *[Interruption]* perhaps it is just because they love Sister Pam and they know Sister Pam cares that is why she is here. The work Sister Pam did was in Trinidad, and it is there for all to see.

So, Madam Speaker, I could run anywhere. I do not have to destroy my people and talk against them and then run down here. I could run anywhere. I am not going to talk against Trinidad; I am not going to talk against Tobago. I am not going to talk about Tobago leaders and against Trinidad leaders. I, Sister Pam could run anywhere. I have demonstrated that by that action Sister Pam could have gone into Rock City any hour of the night.

**Madam Speaker:** If the hon. Member wants to carry on a private conversation with the Member for Arouca, you know—

**Miss Nicholson:** With due respect—sorry—I thought I said Madam Speaker a while ago. So, Madam Speaker, the point I am making, is that when one

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functions, one functions on behalf of the people. At any time I am willing to guide and help the serious Members on the other side.

Madam Speaker, my serious concern is with the compressed natural gas, candidly, that is really what made me rise this evening. Secondly, I fear that we must have clearer arguments made by the junior Minister in the Ministry of Finance when he is trying to articulate what will happen in the economy by certain actions. I am saying this, because when I looked a little bit at the budget and I looked at the figures, Minister Valley, the Member for Diego Martin Central, argued about wanting to see much more activity in the economy. When you see, for example, like in Tobago, you have a situation where you have a deep water harbour functional, deep, solid—and I know that the Prime Minister would not talk against it again because he got a blow when he came to Tobago and I would not address the others. So you have that functional, you have the airport functional and every week—this is factual—every week cruise liners come into that deep water harbour in Tobago. Every week since it has been functioning during the tourist season, over 30 cruise-liners have come into that harbour. Over 4,000 people have come into the island through the cruise liners and the taxi drivers are doing a very active trade.

Foreign exchange is a very important feature in our economic action. The Tristar, you watch the action, but when you look at the figures, how much is given to the Tobago House of Assembly for tourism: \$100,000. When foreign exchange comes into Tobago, it is coming into the economy of Trinidad and Tobago. That is what is happening. We have to get that point home very clearly and I want to stress that to the Prime Minister, the Member for San Fernando East, Madam Speaker, and I want to stress that also to the Member for St. Ann's East, the Minister of Finance. What the serious Government is doing is something that is really on the take-off that can do very much for the economy of Trinidad and Tobago. They are destroying it, because \$100,000 can do nothing, re the Tobago House of Assembly re tourism, which is so important. Diversification of the economy is very critical. One is feeling it. You are going to feel it solidly when the Middle East responds to save Bush, then you are going to understand how critical it is to spend money on tourism and the role that Tobago is ready and fit to play.

I am wondering whether the Government sat down and thought about the situation deeply. When I looked at the figures and I saw \$100,000, I had to ask—I was on my bed—are these people really caring? Do they really care about the

people of Trinidad and Tobago? Because when you would be losing with respect to oil, you could be gaining through tourism and foreign exchange would be coming into your country and you are giving the Tobago House of Assembly \$100,000 that probably cannot even pay the staff there. It is illogical. It is totally—I do not want to use nonsensical—but it is not responsible, I think that is the best word. It is not a responsible approach.

Madam Speaker, it is very critical that we as a people look at those areas very seriously. The shift away—yes, we depend on oil, it is the strongest area that we have right now, and so on, but you have many areas that we can make use of. I do not know, I looked through this thing again I looked at areas like fishing industry and I am wondering if the Government is again looking at an area like that. Barbados has developed a fishing industry based on Tobago fish. The point that I am making is that we can move in that direction. That is another direction that we can use in terms of diversification.

What I am talking about here today is not just, “Well, I am in Opposition so you just oppose”, I am not doing that. I am just referring to certain areas that one can pay some attention to if we really want to diversify the economy that we are talking about. Two areas that I know from the Tobago perspective we have the resources to make a contribution to the economy of Trinidad and Tobago are, tourism and the fishing industry. What funding has been given? Prime Minister, you brought the olive branch, what funding have you given?

Madam Speaker, could I have some protection from the police woman in the public gallery, please.

**Madam Speaker:** Will the members of the public gallery please refrain from making any statements or being too exuberant, please. If you are to stay in this House you are to be silent and listen to the contributions being made by Members. Absolutely no comments, please.

**Miss Nicholson:** Thank you, Madam Speaker, because I am very serious in my work. This is a sick person standing here. It is because I wanted to end the nonsensical stories that were going around that I am here today. What I am trying to do is to just show that we have certain areas that we can go into that we can make a serious contribution and Tobago can make that contribution. We have to move away from the position where people just want to say, “We give them 2 per cent or 3 per cent because they make up three per cent of the population.” Nonsense.

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Madam Speaker, it is not what the percentage of the population is, but if you have certain resources those resources should be utilized efficiently so that one can make a contribution to the economy. Tobago can make a very serious contribution to the economy. That is what had started. The take-off is there. The point that I am making, I am stressing, again, tourism. Hon. Prime Minister, you are throwing away something critical. I want you and your team to look at the \$100,000 and if you look at it in another way, you will see that if some more funding is put in that area, you could get so much more foreign exchange, because the action is there. I see it. The last three weeks I was not able to go after Sunday or Tuesday, I think two boats were there, but I did not get to see over the last three weeks. But I saw action there several times, and you could see the taxi drivers and some of the handicraft people and tourist guides and so on. There is a lot of action. What is needed now is to harness that and to really go for everything you can get here.

Tobago can give you far more than Antigua is giving the Antigua economy. Tobago can give you, perhaps, more than Barbados is getting. Now that we have the deep water harbour, now that we have the International Airport and so on, one should then go for the other infrastructural areas that can benefit the economy and move away from insular thinking that one tends to feel and get coming out of that side.

Madam Speaker, I want to encourage the new Government to think positively. They say they are serious and they take ideas. I hope that the ideas will be taken in the correct way and seen in the correct way, and where Tobago can make the contribution, I would like it to be arrested or continued, because it has already been arrested, the direction, the signal has been given. What you have to do is step it up.

I would also like to know when we will be getting our compressed natural gas station. This is all I will say today. Another time I will give you a far deeper piece of discourse, Madam Speaker; I am preparing for that. Thank you very much.

**Miss Hulsie Bhaggan** (*Chaguanas*): Madam Speaker, first I would like to congratulate the Member for Tobago West for her first speech in this new Parliament. We on this side, would like to welcome her to the House. We are looking forward to some fire from her, too. I think we may have, perhaps, a dragon dance in this House, because we seem to have two dragons in the House now. But I am not really fearful, because I know in this House we also have a dragon-slayer.

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Madam Speaker, my intention this afternoon is to focus particularly on the Excise Duty (Tobacco Products) Order and the Excise Duty (Alcoholic Beverages) Order. But before I do so, I would like to comment a bit on the whole issue of revenues and how they are being spent, because I believe that when we look at the present budget, and we look at the taxation policies and we look at the various measures being introduced, it is very clear that we are continuing along the road of the previous Government, and we are speaking here about the whole issue of structural adjustment. I remember most specifically in the budget the Minister of Finance and the Member for St. Ann's East mentioned "the imperatives of adjustment." Madam Speaker, when there is a structural adjustment, from all studies, we are bringing about onto our people a lot of social hardships on our people, and so it is very important that we put into the budget and introduce, in fact, social programmes which will act as a buffer against the stringent measures under such programmes.

I believe it is very important for us today to look at the whole issue of social spending, especially in view of the fact of what has happened recently in Venezuela. I would just like to mention on an article I read recently, and it really in a way, echoes my thinking on the whole issue of structural adjustment and the kind of measures we ought to introduce. This is an article which was printed in the *Trinidad Guardian* on Thursday, February 6, 1992. It is entitled "Caracas Rebellion Caps Mounting Social Unrest" and it was written by one Gary Roger-Strife and came from a CANA report. This particular article began with a statement that:

"The attempted coup against President Carlos Andres Perez caps a crescendo of anger and frustration over economic reforms that have yet to benefit the lives of most Venezuelans and that have embittered many."

The article went on to speak about the fact that:

"Perez has taken pains to try to persuade his people to stoically bear the short-term pains of rising prices that are drawing them to the streets in a surging wave of strikes and protests."

Further on the article states:

"These protests, observers say, stem from the Government's failure to match the pace of reforms with social programmes that would ease the impact of economic adjustments."

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In this article there are many statistics like those of the previous Government, where we saw economically there has been growth, but with no real kind of development. For instance, we have seen where Venezuela posted economic growth of 9.2 per cent, its highest since the 1970s, and that the budget is balanced. In the article we also read that foreign reserves topped \$14 billion and inflation which peaked at 89 per cent three years ago has eased to about 30 per cent, but critical in this article is the fact that the reforms have yet to improve the lives of most Venezuelans, only half of whom earn more than US \$100 a month.

Madam Speaker, after looking at the measures in the budget, it has come to my notice that we have actually decreased the amount in the LID Programme, and here I want to make it quite clear that I understand the need to have reviews on the LID Programme. I am aware of some of the problems associated with LIDP. I do not agree—in fact we on this side do not agree with LIDP in its present format. There is a lot of room for corruption and we have evidence of that.

What I am saying here, Madam Speaker, in the short term the Government has proposed this programme as one of social relief. Therefore, it is very important that that programme be introduced in a way where we will have some form of fairness and equity. My concern here this afternoon is the fact that there has been a reduction in the allocation to LIDP, and secondly, I have received information and I hope that the Minister of Works will enlighten the House on this, because I am subject to correction here, I was told that at least \$32 million are outstanding to contractors from last year's programme.

I want to ask the Minister whether this \$32 million owing to contractors will come out of the present allocation for LIDP for this year, because if so, it means, therefore, that we are not going to provide any real sort of relief for those people who are unemployed and who are supposed to benefit from this programme. Secondly, with respect to ECHO, I received information that that particular budget, too, has been cut, and yesterday I was speaking to a Member of a very important community who has been doing a lot of social work in Trinidad and Tobago, and this community actually services and gives out food parcels to between 5,000 and 6,000 persons a month. That particular community has had a cut in its subvention of 40 per cent. I have been told of stories where people come and have to be turned away. Now, the community has to reduce its food packages to rice and beans because it cannot afford anything else.

Madam Speaker, I want to suggest to this House that if we do not look seriously at the whole issue of ensuring that we have social relief programmes,

we are going to have a repeat of the situation as we had in 1990, and also what is happening now in Venezuela. I want to reiterate the point made by the Member for Siparia when he mentioned that we are not here advocating social unrest. But when I read the newspaper today, I saw Febeau Village and then Pepper Village, are all protesting against taxi hikes. I want to suggest to this House that when food prices continue to increase, that the protest will go into the supermarkets and into other sectors, but finally the protest is going to come around the Red House and we, in here, are going to have to listen to that because I am afraid that this caring Government is not caring enough.

I believe that the whole issue of social expenditure, as far as relief programmes are concerned, must be looked at carefully. So while we are looking at the whole issue of collecting additional taxes and getting revenues and so on, I believe that we in this House have got to ensure that part and parcel of that whole programme are safeguards so designed that we can really provide relief for the poor, the unfortunate and the dispossessed in our society.

Now, I want to specifically focus on the whole issue of the increase in tobacco and alcohol products. I want to make it clear to this House, I have no intentions of actually debating against such a move. I want to say quite clearly that I believe with all due respect to those who smoke and drink that tobacco and alcohol really should be banned from civilized society. I say so, because when you look at the after effects of those two products, it is really wreaking havoc on our societies.

### **3.10 p.m.**

Madam Speaker, I want to make a point which many of us here do not seem to know. When you examine the intake of patients at the hospitals; when you look at the out-patients clinics; statistics have shown that at least 65 per cent of those persons are utilizing our health services, or other kinds of services for alcohol and tobacco related diseases.

Based on my own calculations, I see that from rum and spirits, beer, cigarettes, alcohol and tobacco, we expect to get \$355,617,000. I want to recommend to this good House that part of that money be allocated to funding those non-governmental organizations which are involved in drug prevention and rehabilitation programmes. Secondly, that another part of that money go towards the development of, what I consider, healthy alternatives. Today, we have many of our young people who are unemployed, and based on the discussions we have had in this House, it is very clear that those young people are not going to be employed in the short term. So I want to recommend to this good House that part

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of the revenue from tobacco and alcoholic beverages should go towards creating healthy alternatives, and I recommend, specifically, the establishment of sporting and recreational facilities.

For instance, in Central, where I belong, many of the recreational grounds are really, what we call, savannahs. Long ago we called them savannahs—today, cows are still grazing on them. In fact, now that the cricket season is here, I have spent the last two weeks speaking to people, trying to get them to grade and prepare those grounds so that the young people can play cricket.

I have been told that a good bat to play cricket actually costs \$600. There are different types of equipment that you use. In fact, sporting equipment is very expensive. So that if our young people are to get involved in sports and recreational activities, they cannot afford them. It is easier to take \$10 or \$20 and buy a stick of marijuana, or a rock, than to find \$600 to buy a bat.

**Mr. Manning:** What is the cost of a “rock”?

**Miss Bhaggan:** I think it is now TT \$20 for the cost of a “rock”. I am sure that if the Minister of Health—or whoever is in charge on the other side—was doing his research, he would realize that there is also a need to allocate funding towards removing drug addicts from the streets.

Madam Speaker, I know part of the reason why sometimes we make jokes about some of these serious issues. I work with a clinical psychologist—I do not “see” the clinical psychologist—and in some of the programmes in which we are involved, she often tells me that the reason why sometimes we laugh when something serious happens is because we cannot deal with it—it is too serious to deal with, so we laugh. Sometimes we go to a movie and somebody is murdering somebody and everybody is sad, but we find that half of the people in the cinema may be laughing. It is their way of responding to the sadness because they do not want to deal with it.

I hope the Members, on the other side, would look at the whole situation of allocating funding towards the question of drug prevention.

Madam Speaker, I also want to make the point that we have got to look at the whole system of National Insurance. In the last debate, we said that we would have liked to increase the old age pension amount to \$500 and we were told that it is not possible. Today, I received a complaint that people who apply for their benefits under National Insurance have to wait sometimes more than four months to get whatever relief they are entitled to. It is not a favour, it is not money that



the Government is putting out. What I want to recommend to this good House, too, is that the Minister in charge of that area take note of the whole issue of National Insurance and ensure that reforms are put in place so that, at least, those persons who are seeking relief under that system would be able to do so in a most expeditious manner.

I do not intend to be very long in my contribution here this afternoon. As I said before, my main focus is the whole issue of what are we doing with the money that we are collecting from our people.

Firstly, I believe that that money should go into areas to provide relief for the poor, the dispossessed.

Secondly, I feel, specifically, that when we get income from tobacco and alcohol related products, those moneys should be expended or allocated towards relief programmes for the young people.

It may be argued that if we work towards a programme of reducing the demand for tobacco and alcohol it would affect the industry. I also want to bring to the attention of this House the fact that there is a new trend in the world today. That trend is one of healthy eating; it is one of herbal drinks; it is one of herbal teas, and when you go to the health shops you pay an exorbitant price for those products. So whatever displacement is caused by these measures where you reduce the demand for alcohol and tobacco, I can assure you that those resources, or those companies, can move into the whole area of healthy food production which will, at the same time, help to develop a healthier nation.

The point I am making is that when you look at the whole issue of the use of these kinds of products, the toll on the social system is heavy. It means that the health system is overburdened by people who are seeking assistance and attention because they are suffering from diseases related to these two products.

Then there is, the whole question of family life. I know we have the Domestic Violence Act. But I am also aware that many women are afraid to go and seek redress under that particular Act, simply because they have nowhere else to turn. If the breadwinner in the home is an alcoholic, or an addict, at least, they feel that they are getting something out of that person, and were they to seek redress under that particular Act, it means that they will have to be on their own. Since we have no kind of relief, in any great measure for those women, they actually stay in their homes and suffer tremendously, both themselves and their children. So at the social level we have much pain and suffering.

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I also know that it is very difficult for the Members, on the other side, to function at a time when there is less money. I am aware that they have functioned when there was an oil boom, and, at that time, it was easy for the O'Halloran's, and so on, to privatize the profits; but now that we are in deep financial hardship they want to socialize the losses. By so doing, our people—especially the poor, the unemployed, the single parent, and the lower income earners—are the ones who are now receiving the brunt of social adjustment.

I want to reiterate the point that if we are very serious about nation-building, if we are very serious about the society, we have got to study what is happening in Venezuela, because there is a parallel between that country and Trinidad and Tobago—it is also an oil-producing country. I am also aware that during the days of the boom, as far as corruption is concerned, a similar situation existed in that country. I believe that we have got to look very carefully at that, and therefore provide relief for those persons who are unemployed and socially displaced.

Madam Speaker, I thank you very much.

**Mr. Ramesh Maharaj** (*Couva South*): Madam Speaker, I rise to talk on this motion which is to confirm the Provisional Collection of Taxes Order, subject to modifications. But as I rise, Madam Speaker, I think the contributions which have been made demonstrate the importance of the Westminster system traditions being adhered to if we are to really function properly as the representatives of the people of Trinidad and Tobago.

According to the Westminster traditions, in respect of which our Constitution is based, it is important at the beginning of the session, for the Government, the Cabinet, the Executive, to prepare a speech outlining the policy of the Government—outlining the general policy, then the specific policies. That speech is handed to the President. In England, it is known as the "Throne Speech". That speech is debated and then you have the budget debate.

With your leave, Madam Speaker, may I refer you to page 234 of Erskine May's *Parliamentary Practice*. It says, and I quote:

"The debate on the Address in the Commons falls into three parts. Debate on the opening day (or days) covers the whole field of government policy, especially in relation to the contents of the Queen's speech. Thereafter debate is usually directed to more specific areas of policy chosen by the Opposition, of which the House is informed, although without prejudice to the Members' right to raise other topics."

I am reading from the second paragraph.

"The final part consists of a series of amendments, which are usually moved from the front-bench of the main Opposition party."

**3.20 p.m.**

Now if the Government of the day had decided to follow the intentions of the Westminster system, as constitutionalized by our Constitution, what would have happened is that we on this side—and I also speak for my two friends from Tobago—would have been able—

**Mr. Panday:** We moved them from that side and put them on this side.

**Mr. Maharaj:**—to examine the policy to see whether the proposals which have been put forward are in effect an implementation of the policy of the Government. You see, Madam Speaker, it is important in a debate like this for the people to know—and we are the agents of the people—what is the policy of the Government. Is the general policy of Government in economic matters that we are going to make the rich richer and the weak weaker? Or is it the policy of the Government that we are going to strengthen the weak to some extent at the expense of the strong in the society. We want to know. It is important for us to know that, because if we have a general policy which we could have looked at, for example, on petroleum, the specific policy with respect to agriculture, we could have looked at the specific policy with respect to VAT, we would have been able to appreciate better, and the people would have been able to appreciate better exactly what these things are about. Are these things going to be achieved when you look at the policy as a whole?

Madam Speaker, I really want to talk on this thing with respect to VAT on books to try and examine what is the policy behind it, what is the aim. Is it going to be achieved? I want to talk also on the betting and gambling act, the proposal to amend the Betting and Gambling Act. I want to talk on the proposed increase in the price of petrol, in effect, where are we really going with this increase, what we are doing with it; have we made any provisions to protect people who can be affected by the rise in petroleum products; and then I want to deal with some of the contributions made.

I sympathize with my hon. friend from Tobago West in that she said that there is an insular feeling in Tobago. That is something which we as a family of Trinidad and Tobago must recognize. From what she is saying there is a

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perception of discrimination, so therefore if there is a perception in Tobago about discrimination we have to address it and that is what we on this side have been talking about. We have been talking about whether there is discrimination or not; if there is the perception of discrimination we have to address it. If there was an overall policy, we would have been able to look, see and assist the people of Trinidad and Tobago more effectively in order to determine really and truly whether these fears are well-founded or are in effect not well-founded. The point was made when my leader, the hon. Member for Couva North, said that the time has come, probably, in this House, whereby we would consider having select committees to seek to implement and monitor the activities of the executive.

As I look on the other side there can be no doubt that people on that side have demonstrated that their hearts are in the right direction. Some of them, their track record has shown that. My sympathy really, is that whether the Government continue with this policy whether they will be able to stay on that side. I feel sure they may have to come on this side and we may have to go there. You see the question which my leader raised is very important and, as I would show later, is the same kind of situation which arose in England and it was felt there that you had to strike, the Parliament had to have more control of the actions of the executive. And it was decided that the best way to do this was for the House to set up select Committees to monitor the action and activities of the executive.

The select committees of Parliament are different from the standing committees. The select committees can have evidence taken, can have people from outside, can in effect be inquisitorial—not on an adversary basis. That machinery has been used in England very effectively to make the executive account, to see in truth and in fact whether they are implementing policies. For example, if they say that there is a policy that all should be equal, then there should be no discrimination against Tobagonians, or against people in the sugar industry. We shall be able to have a select committee to see whether people in the sugar industry feel they are being discriminated against; or we shall be able to see whether people in Tobago feel that they are being discriminated against. Select committees have been used very effectively in England—and I shall read later some passages when I deal with some of the responses—because the Opposition in Parliament, as my friend from Diego Martin West said, is not really a lobby group. The function of the Opposition in Parliament has been recognized as that of being able to elicit information from the Government so that the Government would be able to justify its decisions, policies. So that the people will benefit

from information and that is the function of the Opposition, and the Opposition does that in order to demonstrate that if the Government fails what can happen is that the Opposition becomes the alternative Government of the country. If I may just read a little passage from May on *Parliamentary Practice* at page 200:

"The Leader of the Opposition and some of his principal colleagues in both Houses form a group, popularly known as 'the Shadow Cabinet', each member of which is given a particular range of activities on which it is his task to direct criticism of the government's policy and administration and to outline alternative policies."

You see, Madam Speaker, having regard to what I have just said it is important for me to look at this Provisional Collection of Taxes Order which deals with the question of VAT on books. Rule 13(b) talks about books and the value added tax. In effect books are going to be zero rated, and how does it describe books?

"Books, viz literary works, reference books, directories, collection of letters or documents permanently bound in covers, loose-leaf books, manuals or instructions, whether complete with their binders or not; amendments to loose-leaf books, even if issued separately; school work-books and other educational texts in question and answer format with spaces for insertion of answers; children's picture-and painting-books; exercise books; but excluded brochures, pamphlets and leaflets, newspapers, magazines, journals and periodicals, photographs and stamp albums."

Well from the definition, it is quite clear that when one talks about "collection of letters or; documents permanently bound in covers, loose-leaf books, manuals or instructions, whether complete with their binders or not, amendments to loose-leaf books, even if issued separately", those are not confined merely for use by students. Those things can be purchased by adults. I have no objection to that. As a matter of fact, I think it is therefore inaccurate to say that the measure is directed merely to school children. It is directed, obviously, to bring relief to school children, but also to bring some relief to adults who purchase these things or have to use these things.

### **3.30 p.m.**

What I want to get at is that it must be the policy, therefore, or the policy intended, or I do not know if that is the policy, that it is felt—or I do not know whether it is felt in one hand and not felt in the other hand, or felt on one side of

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the brain and not felt on the other—that information is important for children. Education is important for children. Therefore since education and information is important for children, we should encourage students to have this information and education.

It must have also been felt, that because of the nature of the amendment, that access to information is also important for some adults to have the stationery to write. Well if it is felt that way, why is it that we did not go the whole way? Because there is no reason why newspapers should not be zero-rated. You see, right now in Trinidad and Tobago, the ordinary public depends upon the newspaper, daily and weekly. Some are dissatisfied with the dailies and they want to get the weeklies; some of us decide to read all. The man-in-the street, the weak sector of the society, depends upon the newspaper to get information, and the freedom of the press is not important for the sake of the press. The whole basis of the freedom of the press is a recognition by the Government that the public must be informed.

As a matter of fact, I could say this, that the constitutional guarantee of the freedom of the press is not so much for the benefit of the press, but for the benefit of the public. The aim is for the public to be informed. You see, the press is the heart of social and political intercourse in this society. They are the purveyors of the news. It criticized the Government. As a matter of fact, we may disagree; we may want to condemn some section of the press, but the point of the matter is that the press is necessary in a society if the society is to remain democratic.

The reason why the press is necessary is that it is important as a condition precedent for democracy for the public to be informed. Because it is only if the public is informed of what the government is doing, that the public can make assessments of what the government is doing. Democracy can thrive not only under the vigilant eye of its legislator, but also under the glare and guidance of public opinion, and the press is *par excellence* through which opinion can become articulated.

So one sees, therefore, that the right of information is essential for political liberty and the proper functioning of democracy. Based on the budgetary measures, the rippling effect that the increase in the price of petrol and the other measures would have, it would mean that the price of newspapers would ultimately have to be increased. Many newspaper industries depend upon transportation. Whenever the newsprint reaches the dock, it has to be transported. Journalists who have to get news cannot sit down in their offices and get news.

They have to be on the road. If the employers have to spend more money on expenses, they will have to get the money. Where will they get the money? Not from the higher section; they would get it from the man-in-the-street.

So that if it is the policy of the Government of Trinidad and Tobago that it is essential for the public to be informed, I would ask the Minister, and in effect, ask the Government of Trinidad and Tobago, whether it should not consider making this zero-rated aspect, to include newspaper, newsprint and all articles dealing with the newspaper industry. We are living in a world in which the trend is towards letting the people know what is happening in Government—open government. We have a situation where this Government, by the very definition, is saying that "listen, we want to stifle that information to the public."

There are many ways in which the freedom of the press can be affected. The freedom of the press can be affected by its owners in societies—I am not talking particularly about Trinidad and Tobago; in societies all over the world, it has been proven—that if business magnates own the press, then certain sections of the press can take a certain line. Because if the government gives that newspaper all the advertisement, well then that particular section of the press would not want to attack the Government. The business executives can get business deals. It happens all over the world.

There has been machinery which people have decided to put into place to prevent these things. In England you have the Monopolies Commission and Mergers; in America you have other machinery to prevent these things. But the very indirect way in which a government of the day, whether in Trinidad and Tobago or not, can affect the freedom of the press and can, in effect, stifle information to the public, is by censorship; by putting pressure upon an organization which is owned by the government, whether it is a television station or a newspaper, and say, "listen, do not give the Opposition coverage; give us. If you have debate in the Parliament, you promote NAR and PNM. Do not promote UNC."

The other way in which the freedom of the press can be affected and the right of information to the public can be stifled, is to restrict foreign exchange for newsprint. The last government did that and, in effect, almost stifled some of the weekly newspapers, and I think it is recognized that the weeklies perform a task which I do not think sometimes the daily newspapers do. They have been very

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critical of government policies. I would hope that this Government does not embark upon a policy to make newsprint unavailable to newspapers.

But another way in which the freedom of the press can be affected—

**Mr. Valley:** Madam Speaker, perhaps the Member for Couva South may want to declare an interest in the newspaper industry.

**3.40 p.m.**

**Mr. Maharaj:** Madam Speaker, I do not have to answer that question, but I will. I do not have any interest whatsoever in any newspaper, television station or any aspect of the print or electronic media in this country. The only interest I have is to put pressure upon them, if it becomes necessary to see that the rights and freedoms of the people of Trinidad and Tobago are enjoyed. That is the interest of this Member, but if he is talking about pecuniary or any such interest, none whatsoever. That is why this Member can stand up and speak freely.

Madam Speaker, in countries of the world like America, England and some of the countries of the Caribbean in which you have open government, and I am talking about a Freedom of Information Act, there is no place at all for newspapers having to pay value added tax, and having to charge people value added tax when they purchase a newspaper. So, the 15 per cent VAT on the purchase of newsprint, the 12 per cent duty in the clearing of newsprint and the VAT which the newspapers have to charge the consumer is a direct attack on the freedom of the press. Therefore, I call upon this Government to show that it is not concerned with only lip-service for the freedom of the press.

You see, in most of the repressive countries in the world, you have nice constitutions; yes, it is hereby recognized and declared, fundamental rights exist and shall exist and they enumerate freedom of the press, right to life, right to equality. Madam Speaker, the point is not having the constitutional rights written, the Government has a duty to show that it is serious about the enjoyment of the right.

I refer to page 3 of the *Trinidad Guardian* of February 1, 1992. The Prime Minister recently appointed a Minister in the Office of the Prime Minister, with the responsibility for information, and she was introduced to the media. According to the article:



"Government and the news media may have different agendas but they both work in the national interest.

Camille Robinson-Regis, Minister in the Office of the Prime Minister with responsibility for information, underlined this point when she addressed members of the Media Association of Trinidad and Tobago (MATT) yesterday.

Mrs. Regis told the luncheon session:

'My government is of the view that on matters that can be disclosed there should be a free flow of information. In this regard, therefore, we are working to put in place the structures, systems, personnel and attitudes to ensure organized accessibility.'

The media, she noted, were not an end, but they should be a means towards the creation of a more rational communication among peoples.

'There is no doubt in my mind that the media are a constructive force in a modern society. And no area of the world needs to be without access to information owing to the ubiquitous reach of the news media.

Information-gathering and disseminating are perhaps the world's most important and fastest-growing business'."

With the greatest respect to the Government, these are only words. If people are starving and cannot survive, if there is poverty and destitution, they cannot buy, then the right to freedom of the press is totally immaterial. But if they mean what they say here, then let them say today that they are going to take steps to ensure that the newspaper industry does not have any VAT. My calculation is that if we do not take steps to remove the VAT, the cost of newspapers would increase by about 10 per cent, and if steps are taken to reduce the VAT, then the cost of newspapers can be reduced by about 20 per cent, which would make information more available to the people of Trinidad and Tobago.

You see, we have had talks in this House about VAT, and about making the children's position stronger because we want to make sure that books are cheaper and they do not have to suffer from the high prices of school books; and that steps are being taken to have uniformity in school books, to have them standardized.

I have great confidence in the Minister of Education. I know he has a very difficult task, but I think we have to learn, in this Parliament—I am not saying there was any conscious effort not to level with the people of Trinidad and

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Tobago; we have to learn to give them the facts. I think if we decide to give them the facts, tell them as it is, it might make a difference in the society.

We know, but I do not think the public knows, that we had this thing about standardization of textbooks. In 1982 there was a committee; the Cabinet of this country—I think in 1982 the PNM Government was governing—

**Mr. Panday:** They were in office, they were not governing.

**Mr. Maharaj:** In September, 1982, Cabinet had appointed a standing committee for the selection of textbooks for schools. The committee functioned and there were many criticisms about the committee because it was being alleged that certain things were happening in the committee. Anyhow, since December of 1990, the committee has not functioned.

We have the machinery and from my information and research, when the committee was functioning, some relief was given to the students. But in December, 1990 it stopped; there is no committee and from that time to 1991, nothing happened. The new Government got into office—I do not know if it is a continuation of the old one. Are we to understand that this Government does not know as yet, that I know it, and they do not know that is the position? Would it take any grave difficulty for the Government to appoint a committee, in order to see what effect that would have in respect of books, cost of living and things like that for students?

**Mr. Ramrekersingh:** Madam Speaker, on a point of clarification to the hon. Member for Couva South, I simply wish to clarify two things. The first is that the committee for the selection of textbooks which started in 1982 is not automatically equated with standardization. I happened to be on that committee from 1982 to December, 1986. The function of the committee is to set up procedures to analyze the texts that are used or may be used in schools, and to categorize them as recommended or otherwise; to narrow the list of books that can be used in the schools, which is not exactly standardization. In fact, I think in the first report of that committee, the whole conception of standardization was dealt with. So, it goes some way towards that, but one must not automatically equate it with standardization.

The hon. Member for Couva South is quite correct that since December, 1990, that committee has ceased to meet. I can inform him at this stage, that a new chairman has been appointed and the rest of the committee is being put

together. It is largely an institutional committee representatives of teachers, PTAs and members of the public.

So, I can assure him that work has started on that.

**Mr. Maharaj:** Madam Speaker, I thank the hon. Member, but I think what he has said, is in effect, a confession that the Government has not been doing anything, apart from appointing a chairman, about the standardization of textbooks.

With the greatest respect to the Minister, I have spoken to two ex-members of this committee, and I can make the information available to the Minister if he wants—I have a written statement from a very reputable educationist in this country—that this committee has been engaged over the years in the standardization of textbooks, in both primary and secondary schools.

### **3.50 p.m.**

As a matter of fact I have done some study on this and it has been in the press, people have spoken about it and have written about it—I just want to give a little example of how information is important.

I read in the newspaper of the *Daily Express* of February 6, 1992:

“New Post for Kelshall

Coast Guard Commanding Officer Captain Richard Kelshall has been assigned to the post of Senior Staff Officer of the Defence Force with effect from Monday. This, as Colonel Hugh Vidale has been reassigned to the post of Defence Attaché at the Trinidad and Tobago Embassy in Washington.

A Government release yesterday which indicated changes in the command of the Defence Force, said Commander Anthony Franklyn has been put in charge of the Coast Guard.

In June last year, Vidale was reassigned from the post of Commanding Officer of the Army and to Senior Staff Officer described by army officials as an ‘administrative post’ and the man second in command, to Chief of Defence staff, Brigadier Ralph Brown.

The Washington post was previously held by Colonel Selwyn Derrick who recently returned home shortly before the 27th July, 1990 attempted coup. Derrick retired in early 1991 after the state of emergency was lifted."

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I am conscious of the fact that the Government has a duty to national security matters, not to disclose them and, even though one wants to do that one can go to the court and can get the information. As a matter of fact in England, the Prime Minister Mrs. Margaret Thatcher said she was not disclosing matters and it was the famous case which reached the House of Lords and the courts decided that if the Prime Minister merely says matters of National Security, that was not sufficient. She must be able to show to the court what are the matters and the court decides whether the Prime Minister can withhold that information from the public. That is the famous Civil Service Union Case.

Madam Speaker, I think the Government owes a duty to the people. People who hold senior and very sensitive positions in the country—I do not think this kind of information should be withheld. The public wants to know and they could be speculating. In a matter like this the Government should make a statement in Parliament as to the reasons because we are dealing with the defence force, the security services, the protective services of the country. What effect would that have on other members of the protective services? Can a man feel so insecure that Government can take a decision and transfer him, reassign him, demote him? This is not good. The Government has a duty to the public to make this information available. The point I am making is this Government has to make an important policy decision and that important policy decision is: is it serious about open Government? If it is serious about open Government, then the public will get the information. But if it is not serious they would say it is serious but in effect, the public will not get the information.

Madam Speaker, the rise of petrol. Here, again, I think it is important. We have read two things. I am reading from the *Guardian* of February 7, 1992. There is an article about the price of oil.

"Experts See Tumbling Oil Prices

OPEC still pumping, keeping markets awash".

When one reads the article one sees the international experts' opinion that the price of oil would not be the price on which we have based our budget and therefore, I think the Minister of Finance has a duty to tell the population, that if for some reason, that price collapses, what effect it is going to have on the budget, what plans they have in place in order to deal with that situation.

We have read also in the newspaper that the Central Bank intends to charge commercial banks around 23 or 26 per cent interest by March. I think it is the

duty of the Minister of Finance to tell the people of this country if this is true, and if it is true, to tell them what effect that increase will have on the budget. My good friend the hon. Minister and Member for Diego Martin Central, after he made his comments about the Opposition said that “what we have to do is to get people working, we have to get the economy ticking.” How can we get the people working if they are destroying the rights and the livelihood of fishermen?

How could the Minister in one breath say that he wants to get the people working and the economy ticking and yet allow what is happening with the fishing industry and the people in the agricultural sector? As a matter of fact I want to bring to this House a matter with respect to oil pollution. We have not heard anything about oil pollution as petrol is connected to oil, the energy sector. We have heard nothing about what the Government is going to do with the farmers who produced their goods [*Interruption*] The English QC—\$17,000 a day—\$5 million. Is that what you are talking about? While people cannot get food in this country; they cannot buy bread; is that what you would like me to talk about? I can talk about it again. I have talked about it already—\$5 million. The projected cost is \$10 million and you are paying the man \$17,000 a day.

**Mr. Bereaux:** Madam Speaker, the hon. Member for Couva South referred to May’s and I thought I should point out the following at page 20:

“That it is contrary to the usage and derogatory to the dignity of this House that any of its Members should bring forward, promote or advocate in this House any proceeding or measure in which he may have acted or been concerned for or in consideration of any pecuniary fee or reward.”

**Mr. Maharaj:** Madam Speaker, I think if you consider that I was breaching the Standing Orders you would have dealt with me accordingly. There is a distinction between reading and understanding and I am not promoting any measure.

One of the things I want to deal with in my contribution is the point about oil pollution and its effect. The Oil and Water Board Ordinance, Chap. 26:06, passed in 1950 and that Board has not met for 20 years and farmers with their produce who are affected by oil pollution, if they go to the court—as a matter of fact there was a case in court in which I did not appear, and the court ruled that having regard to that Ordinance the affected person cannot go to the ordinary

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court for damages as a result of oil pollution. So the position is that farmers who have suffered damage or loss as a result of oil pollution are blocked in getting redress in respect of compensation and they have to depend on the good graces of the oil companies in order to get any. I have a petition from the people of Rochard Road in respect of all the damages and injustices they have been suffering from this matter.

What the Government should really do, if there is a problem with respect to generating income in a country, is to look at the areas in which there is inefficiency and waste and see whether it can encourage productivity. You certainly cannot encourage productivity if you have machinery where people are growing crops. They are in effect trying to prevent the outflow of foreign currency and there is no machinery in place for them to get compensation for their produce when they are damaged.

**4.00 p.m.**

My friend from Tabaquite raised the issue of the Betting and Gambling Act, but I think that I would like just to touch on it a bit.

Before this amendment the law was that the pool owners paid \$100,000 and they also paid 25 per cent of the gross takings which meant, if one had the machinery, one could have collected a lot of tax. The NAR government passed legislation to set up a Betting Levy Board for the purpose of collecting these taxes, and the Betting Levy Board did a very extensive survey and, although it felt that the pools were collecting much more than they were saying they were collecting, it advocated a lump sum payment of \$500,000 a year.

Based on the fact that there are 28 racing pools in the country, on a bad day, the estimated gross takings are not less than \$50,000. There are 300 racing days in the year so gross takings of all the pools would be \$420 million. Twenty-five per cent of \$420 million would be \$105 million. The revenue which has been generated from this aspect of the racing industry has been to the tune of \$8 or \$9 million in 1990 and 1991 respectively.

This Government has not told us what study it has done, on what basis they have charged this figure, or why it has decided to charge \$200,000 as a tax, \$100,000 as a licence fee, and collect this \$200,000 in quarterly payments. Is it not proper for the people of Trinidad and Tobago to be told on what basis the Government has arrived at \$200,000 instead of \$300,000, \$400,000, \$500,000 or \$600,000? On what basis was this figure arrived at? It appears to be arbitrary. As

my friend, the hon. Member for Tabaquite said, just a few people are involved. I am not against the pool owners, I am just saying that the country and even the pool owners would have welcomed the country being told the exact basis. It just does not look right and it is very unfair for the Government—if I may say so—not explaining it because the perception in the eyes of the public would be very adverse to the Government. The Prime Minister probably knows what I am talking about. It is important—

**Madam Speaker:** The speaking time of the hon. Member has expired.

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

*Question put and agreed to.*

**Mr. Maharaj:** I am indebted to the Members for allowing me to continue.

You see, when things are done in this way it can give the perception that things are not right, that there is something shady, and I invite the Government this afternoon in its reply to tell this country whether there is any political connection at all with the owners of these pools and the ruling party, and they must say whether it is true that a Government Minister, not holding the portfolio which deals with pools had a meeting with the pool owners last week Tuesday. They must say whether that is true or not. I am going to be very responsible and I shall wait on the answer, and then we shall know how to deal with it. That is how I shall go. I think the country ought to know whether the wife of any Minister is related to the owner of one of the major pools in the country.

What has happened is that the pool business is in effect a monopoly and the point that my friend from Tabaquite has made is that it will be very difficult—and one knows, I have had experience with trying to get pool licences—for one to get into that monopoly. Probably the time has come in this country—and if the Government wants to demonstrate its love for the people—where there must be some machinery whereby these monopolistic tendencies would be eradicated.

In England, there is what is called the Monopolies and Mergers Commission, there is what is called the Competition Act to monitor efficiency, to monitor cost of services, cost of goods and to determine whether monopolistic power is responsible for these high costs and the Monopolies and Mergers Commission has teeth to deal with situations.

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I was reading a book, *Antitrust Basics*" which deals in effect basically with the same thing as monopolies in America. It is written by Mr. Thomas Vakerics and it is published by Law Journal Seminars-Press in New York, and at page 1-1, dealing with overviews, if I may be permitted to read:

"As described by the Supreme Court, the Sherman Act was designed to be a comprehensive charter of economic liberty aimed at preserving free and unfettered competition as the rule of trade. The basic premise of the Sherman Act is that unrestrained competition will result in the most favourable allocation of economic resources and the lowest prices possible for a variety of goods and services."

**4.10 p.m.**

One sees that it cannot be doubted. I take it as irrefutable that if we have machinery in this country which can deal with monopolistic tendencies, which can investigate companies that have interlocking directorates of companies which control the prices of goods, we can see whether the money that is being made should not remain with the people. Because, Madam Speaker, as I talked about the \$100 million in the betting pool business, that \$100 million, if there is proper machinery and if there is an equitable tax in order to benefit the people of Trinidad and Tobago, the people can end up getting about \$80 million per year which goes, in effect, into the hands of the six people, not for the benefit of the people.

If I am correct—for example, I got a letter whilst I was sitting here in respect of the textile industry, another monopoly. I am not going to quote the name of the company. The textile business, from what is written and this letter has been given to the other side, too—and I did some investigation even before I came to this House. This company imports textiles; it does not pay any duty because it has concessions in exchange for providing jobs for the people of Trinidad and Tobago. But what has been happening is that there are no jobs, it is not a manufacturing company. It brings into the country the finished goods.

When the NAR Government took over in 1986, there were many containers which were seized and it was recognized that they had finished goods in them. The people had hoped that the NAR Government would have dealt with the situation, but it could not deal with the monopolies. It allowed them to continue. The NAR allowed it. As a matter of fact, it gave them more concessions. So what is happening is that all these millions of dollars which are being put in the pockets of a few people, could go in the pockets of the poor people of this country. Their



bank accounts would be good, they would save it for education for their children, they would have security, they could buy pieces of land with those moneys. We have to do that in this country. We have to have a policy which, in effect, would make the weak stronger, and not make them weaker, as the policy that we are executing now is making the weak weaker and the strong stronger.

Madam Speaker, the Member for Diego Martin West stated that, in effect—and I thank him for the compliment he paid to the Opposition party in saying that it is discharging its function. But I got the impression that he was under the impression that the Opposition party was merely a lobby group. I think it is my duty to put it right, because the Opposition party, under our Westminster system, is not a lobby group. It has very serious duties, and I would like to put on record that it is the duty of the Opposition, under the Westminster system, to maintain a sustained attack on the Government in respect of its policies, in respect of its actions and it must do that in order to ensure that the governing party puts forward to the country all the available information for the people to judge its actions.

**Dr. Rowley:** On a point of order. I thank the hon. Member for giving way. I would just like to clarify for the Member's benefit that I am on record in this Parliament as making that same statement before he was even a politician.

**Mr. Maharaj:** Well, if I am wrong I am very sorry, but I got that impression.

**Madam Speaker:** If I may intervene, if I recall rightly, that was one of the limbs on which Westminster was based and that was one of the aspects of Opposition. I do not think that he said, if I recall correctly, that it was only a lobby group. That was one of the areas on which the Opposition evolves.

**Mr. Maharaj:** Madam Speaker, I am indebted to you for your correction and I am indebted to my colleague the hon. Member for Diego Martin West. But I think he and his colleagues on that side should recognize that it is not only the function of the Opposition to do this. As a matter of fact it is recognized—and there is a book *The Changing Constitution*, by Jeffrey Powell and Donna Oliver which deals with the role of the Opposition. It deals with the functions of the back bench and it states that:

“The function of the back bench in the governing party is that they must become involved in debates and they must also try and bring out the

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Government's policy in order to discharge the duties of the Parliamentarians to the particular constituency that they represent."

I just want to say that we are in this House like one family because we in Trinidad and Tobago are one family. Like all families, we disagree, and like all families we would want to make sure that the family jewels are secured. We want to make sure that when there is debt or when there is trouble there is something there that we can go to; that the inheritance is not taken away by any outsider. All of us have an interest, whether we are in the Government, whether we are Ministers, or whether we are Opposition. We have to ensure that the resources of the country are in good hands.

So, with that, I think I could pass on, because what I would like to say is that, whether we are Opposition Members or back-benchers, our duty is not to assist the Government to get its legislation through. We must submit the actions of the executive to continuous scrutiny as our duty for and on behalf of the people.

If I may quote from *The Changing Constitution*, at page 64:

"The primary duty of Parliamentarians, irrespective of party, is not to assist the Government of the day to get their legislation, it is to submit the actions of the executive to a continuous, thorough and searching examination for and on behalf of those whom we represent in this place."

When the Member for Couva North was outside, the hon. Member for Diego Martin West—I am sure it was not consciously done and he probably could not wait until the Member came back—but the Member for Couva North referred to the example of discrimination, and that we have a Joint Select Committee to monitor discrimination. The hon. Member for Diego Martin West—unless I misunderstood him again or I did not hear him correctly—said that it is not every act of discrimination that we can investigate as we cannot get involved in that.

**Dr. Rowley:** Madam Speaker, if the Member would give way. Again, I am sorry, but I seem to attract misrepresentation from the other side, especially from the Member for Caroni East and now I am seeing it in the Member for Couva South.

The Member is not representing what I said at all. I said, for clarification, that the Member for Couva North in his presentation at the last sitting, had said in as many words that this Parliament must investigate every instance of discrimination. I said that that is just not feasible because Parliament's work

might come to a halt. What the Member is saying, and I said in the context of an earlier submission of the Member for Couva North when he spoke about the Equal Opportunities Commission, where are we? The Member is saying now that I said that we should not investigate every instance of discrimination.

**Madam Speaker:** No, I do not think that is what the Member for Couva South said.

**Mr. Maharaj:** The point is, whether he said every case or every other case, it is the duty of this Parliament—we as Parliamentarians have a duty and the machinery is there, that if there are acts of discrimination, we can investigate them. Let me say, Madam Speaker how it can be investigated. It can be investigated through select committees. For example, it might be helpful for me to read what happened in England and may I pass a copy to you, Madam Speaker. I am sorry if I introduce this system in this House, but if I may pass a copy to you—it is *The Changing Constitution*, and it is a book which has been recently published, in 1985—well not so recent—but it is there. If I may refer to page 136, under “The Reform of 1979”:

“In June 1976, the House of Commons set up a 16-Member Select Committee of Procedure to consider the practice and procedure of the House in relation to the public business and to make recommendations for the more effective performance of its function. The committee held 58 sittings at 15 of which it took oral evidence, most of it from MPs and Clerks of the House. The rather introspective exercise gave rise to a substantial report published in August of 1978.”

The Committee’s approach is summed up in a couple of early paragraphs and if I may read it, I think that is important:

“The essence of the problem is that the balance of advantage between Parliament and the Government in the day to day working of the Constitution is now weighed in favour of the Government to a degree which arouses widespread anxiety and is inimical to the proper working of our Parliamentary democracy.

We believe that a new balance must be struck not by changes of a fundamental or revolutionary character in the formal powers of the institutions concerned, but by changes of an evolutionary kind, making the job of Government more comfortable, the weapons of Opposition more formidable, the life of the back-bencher more bearable, but with the aim of

enabling the House as a whole to exercise effective control and stewardship over Ministers and the expanding bureaucracy of the modern state for which they are answerable and to make the decision of Parliament and Government more responsive to the wishes of the electorate.”

In effect, Madam Speaker, that is the point my leader, the Member for Couva North was making. What he was saying is that the time has come for us to strike a new balance between Parliament and the executive. That new balance must make the people benefit, not the Government benefit, not “we” must benefit, the people we represent must benefit. The cumulative effect of the learning and what has been stated is that we should, in effect, overhaul the whole system of select committees, probably expand the select committees in order to deal with matters, and it is only if we do that we can have the machinery to redress the balance between Parliament and the executive.

You see, Madam Speaker, in England, when this report was published, as you will see and anyone can see from the book, there was, in effect, an expansion of the select committees. What happens in England now is that a select committee can investigate a nationalized company; if a Minister does not want to give the answer or the answer is inadequate, that select committee can call for the records. What happens, therefore, is that state-owned or subsidized companies know that if they do not perform, if they do not produce, if there are deals, for example, the select committee—if we had such a thing in Trinidad we might have been able to get answers as to whether it is right to spend \$10 million or \$15 million in legal fees, whether it is right to put \$200,000 as a licence for pool owners, when you are collecting \$105 million. These are the things which we have to do if we are seriously interested in helping our people.

My colleague, the hon. Member for Chaguanas, has been making this point, and we have been making this point, that it is all well and good for us to balance the books, but, in effect, we need human development. Our country would be totally useless if we balanced all the books in the world and we have people suffering and starving. People are destitute, people cannot afford to exist. We would not be doing our duty as brothers and sisters to these people if we maintained that attitude. We have to have a radical change of attitude. We have to have a complete reformation of our thinking, we have to have a revolution in our minds as to how we are going to deal with this problem. We cannot approach it with traditional methods.

Madam Speaker, what the hon. Member for Tobago West has said, we have substantially said it in this debate. We share her concern and so we share the concern of all the people of Trinidad and Tobago. One would see that one of the reasons when we talk about the freedom of the press—and since the Government own Trinidad and Tobago Television, if the Government are seriously interested in freedom of the press, they must ensure that state-owned companies which disseminate the news, do it equitably and fairly. I do not know if they know, but I think my friend the Member for St. Ann's East recognized it one night on Panorama, that although the UNC is the official Opposition, the NAR gets more promotion than even the PNM and the UNC on Trinidad and Tobago Television. We have said almost everything that the Member for Tobago West has said here tonight, but it would not be surprising if the Member for Tobago West gets all the prominence on the news tonight on TTT.

**Miss Nicholson:** On a point of order. I just want him to know that if there is one individual TTT would want to continue their hate syndrome with, it is this Member and it is doing beautifully for me in Tobago. It is doing beautifully for me. Every time they show one picture, and they have beautiful pictures of this Minister—I want him to continue it.

**Mr. Maharaj:** I want to congratulate the Minister for re-appointment.

**Miss Nicholson:** So sorry, "Member". I know my position.

**Mr. Maharaj:** May I also take this opportunity for congratulating the Minister for her maiden contribution in this Parliament.

**Madam Speaker:** You mean the "Member for Tobago West".

**Mr. Maharaj:** Did I say Minister?

You see, Madam Speaker, I would like to end with this thought: Last week a member of the public who attended these sittings for several years met me outside and said, "Mr. Maharaj, there is a new feeling in Parliament. There is a feeling of being a family." That is a good thing, and if we can set that example then whatever our criticisms are, that we consider that our duty is first to the nation, and in that context whether we inflict olive wood or mango wood or whatever kind of wood we inflict, the fact of the matter is that we would have to do our duty and put the nation first.

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If it is correct, and I think I got support from the Member for Tobago West in some ways, that we want a true national Government of Trinidad and Tobago. The Westminster system of Trinidad and Tobago permits that, as it gives the Prime Minister of Trinidad and Tobago powers in which he can effect a national government of Trinidad and Tobago. If that is correct—I want to get it clear—if it means begging for the people and the interests of the nation, I shall do it. I am not a beggar, but you see, when it comes to the nation—and my history will show that I am not a beggar—but when it comes to the nation, I am prepared to forget my arrogance, to forget my pride, to even beg.

So if the Prime Minister wants to create political history in this country and if he wants to demonstrate that he really has the nation at heart, the people of Trinidad and Tobago, not himself, not a few Members, the Constitution gives him the power to make Tobago feel one with Trinidad, to make Caroni feel part of Trinidad, to make Laventille feel part of Trinidad and Tobago. As a matter of fact, we have given the commitment on this side that we are prepared to work in all areas in order to achieve national unity and the promotion of national consciousness and national resources.

Madam Speaker, if we have learnt the lesson that with all the money that this country had, the problems could not be solved, then it must be correct that the only way to solve the problems of Trinidad and Tobago is by national unity, and a true national Government of Trinidad and Tobago. Thank you very much.

**Madam Speaker:** The sitting of this House is suspended until 5.00 p.m.

**4.30 p.m.:** *Sitting suspended.*

**5.05 p.m.:** *Sitting resumed.*

**The Prime Minister (Hon. Patrick Manning):** Madam Speaker, I am indebted to you and to hon. Members for this opportunity to intervene in this debate. It was not my intention to do so, but it has become necessary as a consequence of the direction that the debate has taken, and as a consequence of some of the very fundamental issues that have been raised by hon. Members opposite.

Before getting into those issues directly, Madam Speaker, I want to formally welcome the hon. Member for Tobago West, who unfortunately is not here at this time. While I do not like to say certain things in the absence of hon. Members, I

think it is necessary for me to draw to the attention of the hon. Member for Tobago West the fact that there is a very different atmosphere prevailing in the Parliament at this time. That atmosphere is one that is born out of an appreciation by hon. Members that this, indeed, is the highest court of the land, and that the eyes of Trinidad and Tobago are upon us, what we say, what we do, how we say it and how we do it.

If we consider ourselves to be the exemplars, as we ought to be, surely we have a responsibility to so conduct our affairs in a manner that redounds to the credit of the society and in a manner that will uphold the dignity of this honourable House. It is a conscious effort on the part of hon. Members on both sides to ensure that this Parliament is held in high esteem in the minds of the population, an esteem to which we all aspire and an esteem which we believe is achievable. I think it would be in the interest of the Parliament and the country for the point to be taken by the hon. Member for Tobago West.

It does not mean to say that the fundamental principles of Westminster must be bridged. As you are well aware, the Westminster system is one that accords executive authority to the Government, and it accords to the Opposition the role of Opposition. The argument is, as I have pointed out before, that as the Government presents its case, and as the Opposition opposes the case, hopefully in a constructive manner, giving alternatives, the population, through the media, will be in a position to examine both sides of the question and to come to some kind of conclusion as to which view or which combination of views would best constitute the national interest. Whatever we do, whatever adjustments we may wish to make to the system of Westminster, there are certain parameters within which we have to operate and there is a certain point beyond which we certainly cannot go if we are to uphold the lofty principles as they were enunciated at Westminster.

In Trinidad and Tobago what we practice is a modified form of the Westminster system; It is not pure Westminster. For a start, we have no Queen in Trinidad and Tobago, we have a Head of State, a President. Our President, since the Constitution of 1976, is not simply the ceremonial President that we will see in other parliamentary jurisdictions, nor a ceremonial head of state, as the Queen of England. So that therein lies one of the important differences between the system as we practice it here and the system as it was originally conceived and as it now operates in the United Kingdom.

Madam Speaker, if you examine the vision of the PNM as initially presented to the 27th Annual Convention of the party on December 12, 1987, and as adopted by the convention as a fundamental party document on that day, you would see included in the document the concept called “evolutionary change”. It is a concept to which we subscribe. Our interpretation of it might well be at slight variance with the interpretation of the fundamental concept of evolutionary change of hon. Members opposite. It may very well be. All that it means is that we have a basis for discussion. If it is that there is a divergence of views between Opposition and Government, particularly in the consultation process on which we have now embarked, it means that we have a basis for discussion. I can tell you that our own interpretation of evolutionary change is somewhat different from the interpretation of evolutionary change that hon. Members opposite are now seeking to espouse.

Madam Speaker, we know that a constitution is nothing with which one tampers. There are dangers that are associated with such a course of action. We also know that if one has to err in seeking to modify a system of government, one would be well advised to err on the side of caution. Admittedly, the process of change is going to be that much slower but even so, that is a very small price to pay when you are dealing with political systems, when you are dealing with the framework in which the lives, in the case of Trinidad and Tobago, of approximately 1.2 million people will be caught up. That, Madam Speaker, is the approach that the PNM espouses.

I have had cause to say in the very recent past that the approach of the founder of the nation, our first political leader and first Prime Minister of Trinidad and Tobago was one which suggested that you put your right toe forward, test what is before you and you take it back. Then you put your left toe forward and you take it back, and when you are satisfied, you take one step and then you begin the process of testing all over again. Whether we agree or whether we disagree, I am in a position to say, on the basis of the 20 years spent in this Parliament—and I hope that it will be a few more to come—that this is an approach to which I subscribe.

**5.15 p.m.**

When we first raised the question of consultation between Government and Opposition—before I get to that let me deal with something else. Let me deal with the question of the Throne Speech. Ever since 1976, some changes were being made to the system of democracy as we practised it. It was in that year we



became a Republic, and it was in that year that we elected a President, and the arguments on the basis of a Constitution Commission that met arguments that were raised by people from all walks of life, from all parts of the country, from all races, classes, and of different backgrounds, suggested that they wanted a system in which the Head of State was not purely ceremonial, and therefore, there was much dialogue and eventually a consensus emerged on the extent of the authority that will devolve on His Excellency the President of the Republic of Trinidad and Tobago.

Ever since that time, slow changes were being made. It was some time thereafter, Madam Speaker, that the principle of a Throne Speech was quietly put behind us, and it was replaced by a President's Address. It happened in the time of the PNM. Indeed, in the last five-year period—1986 to 1991—when my friend from Couva North and my honourable friend from Oropouche were both members of the government, it was a principle that was continued. Indeed, there was no Throne Speech in 1987; there was no Throne Speech in 1988, and I can well imagine that those decisions may well have been part of the consultations that were taking place within the Government at the time. Therefore, it is not entirely unreasonable to assume that the honourable Member for Couva North, and indeed the honourable Member for Oropouche, who were both members of the Government at that time, had agreed with the approach of no Throne Speech but a Presidential Address. It is very strange that in 1992—

**Mr. B. Panday:** You being on the other side, you would know, would you not?

**Mr. Manning:** Forgive me, Madam Speaker, I am lost. It is very strange.

**Mr. B. Panday:** You must not do that and get away with it in this House. You said that we were on that side so we were a party to some kind of discussion. You were on the other side. You would have known, would you not?

**Hon. Member:** Presume!

**Mr. B. Panday:** That is your trouble. You presume a budget.

**Mr. Manning:** Madam Speaker, with your permission, may I continue?

**Madam Speaker:** Yes.

**Mr. Manning:** There was no Throne Speech—it was a President's Address. So I find it very strange that in 1992 the honourable Member for Couva South

could raise the question of a Throne Speech in the context of the Westminster system of democracy.

**Mr. Maharaj:** Would the honourable Member answer the question as to whether the Government had anything to do with the preparation of the President's Address?

**Mr. Manning:** No, Madam Speaker, the Government had nothing to do with the preparation of the President's Address. In fact, had the Government had an involvement in it, perhaps it would have been named something different. In the Westminster system, it is called a Throne Speech—not the Queen's Address—suggesting that it is something other than the views of Her Majesty, but that indeed what it represents will be the policy of the government of the day, as articulated by the government, and as presented by the Head of State. Our system here is different. Today what we have is a system where the President addresses the Parliament and it is not an articulation of government policy positions. Evolutionary change—that is where the system has gone. And it may well be that future governments of Trinidad and Tobago may wish to review that—I do not know. As of now, this Government has no plan to review that approach. It is an approach that we consider acceptable and it is an approach that seems to be working quite well within the context of Westminster democracy.

**Mr. Maharaj:** Would the hon. Member give way to another question? Is he aware that in a Republican country like America there is a State of the Union Address by the President?

**Mr. Manning:** I am aware, Madam Speaker, but I am also aware that the President of the United States has a very different role from the President of Trinidad and Tobago.

It is in the context of evolutionary change that the PNM has been raising the question of consultation and has embarked on a system of consultation that takes the consultative process to a new plain.

Indeed, if we go back to the Convention Address—I think it might have been the Political Leader's address to the 29th or the 30th Annual Convention of the party—one will see an argument in it, the culmination of which was a commitment to the de-politicization of the energy sector, recognizing the importance of that sector to the national well-being of Trinidad and Tobago, the people of Trinidad and Tobago. The argument was, if it was so important to national life, then it may well be in the national interest to so conduct our affairs

that energy policy is not subject to change purely on the basis of a change in the political directorate.

Madam Speaker, if I make any reference to what may have transpired between 1986 and 1991, I assure you that it is being done purely from an academic standpoint. We have studied it from that standpoint with the sole intention of ensuring that the experience of the Government in those years—recognizing those experiences to be the experiences of the people of Trinidad and Tobago—the people of Trinidad and Tobago are not asked to pay twice through the Government making errors that may have been made before. At the same time we have been, culling from what took place in those years that which was good and that which will redound to the credit of the people of Trinidad and Tobago.

**5.25 p.m.**

In 1987 there was a change in energy policy in this country, and while I do not have the document with me—it is the manifesto of the party that won the election in that year—it clearly states that in respect of energy there was a condemnation of the mega project approach that preceded 1986 and the advent to office of the new Government, and that there was a promise in that manifesto that the Government will replace the mega project approach by the development of new sub-sectors in the energy sector, the viability of which will be guaranteed on the basis of the domestic economy. That was the argument, Madam Speaker, and we have argued from 1987 to today that it was that change in policy at a critical time in the economic life of the country that led to the delay—there was almost a cancellation—of two years on two energy projects, one of which was the development of the Pelican gas field and the second was the construction of a natural gas liquid recovery plant, both projects of which had the potential for earning substantial quantities of foreign exchange.

It was a shortage of foreign exchange in those years, Madam Speaker, which led the Government of Trinidad and Tobago to access the lender of last resort, the International Monetary Fund, by way of a standby facility and the conditionalities that were associated with that. We did not agree. What eventually happened was, that the Government reviewed its own policy and gradually began to shift back to the policy that was condemned prior to their advent to office, to their credit. They looked at their policies and found that the policies might have been flawed and therefore they were quite willing to adjust the policies even if it meant espousing policies that they initially had condemned.

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Our argument is that if there was consultation between Government and Opposition in those years on an important question of domestic energy policy, then there was every likelihood that there would have been a broad agreement on energy policy; that energy policy would have been de-politicized and not subject to the cut and thrust at that level that is normally associated with the conduct of Westminster democracy; and that the country would not have undergone that change with the consequence that was associated with it, which we all accept has been pretty disastrous for the standard of living of the people of Trinidad and Tobago. In the 29th or 30th annual convention address, when we espoused the question of consultation on energy policy, when we made the commitment to the party and the national community that we will de-politicize energy, we were very careful indeed to place the caveat on it, recognizing that there are constraints within which we have to operate, and we acknowledge the constraints—the constraints being the dictates of Westminster democracy.

If it is that the consultative process is taken too far, then it prejudices the position of the Opposition, prejudices the role that is envisaged for the Opposition in the system of democracy as practised in Westminster where they can effectively discharge the function of opposing in the context of the accorded role of protecting the welfare of the citizens of Trinidad and Tobago. The net losers will be the population, so that there is a limit to that. And these are what we have to operate with.

When we went to the population in 1991 we never made any proposals to change the system of government. We do not consider ourselves to have a mandate to do that, Madam Speaker. We do not have a mandate to do that. We, in our manifesto, did in fact talk about consultation and therefore, Madam Speaker, we feel that we have been given the authority by the people of Trinidad and Tobago to take the consultative process one step further in the context of division as agreed to by a convention of our ruling party, in the context of evolutionary change—a relatively slow process.

Madam Speaker, there was consultation between the Prime Minister and the Leader of the Opposition on the mechanism. What we said in 1989 was that we will examine a consultative process and if it is found to be workable, it will be given a parliamentary complexion. That is what we said. That was the commitment that we made. When the consultations took place between the Prime Minister and the Leader of the Opposition, it was the view of the Leader of the Opposition that we should go immediately to a parliamentary mechanism; and

notwithstanding the fact that as Prime Minister my approach would have been a more cautious one, I readily agreed for a number of reasons, not the least of which, my intention to demonstrate the good faith of my self and the Government that I head. So we have agreed to a parliamentary mechanism. It is left to be worked out exactly how that will work—what will be the role of the parliamentary committee; what will be the powers of the parliamentary committee and, for the time being, Madam Speaker, we would prefer to leave you out of those discussions. I do not want to prejudice your position. When a basic position has been arrived at, I imagine, if it is the wish of the Leader of the Opposition, we can formally approach you and we can discuss some kind of mechanism designed to give effect to that commitment.

Madam Speaker, it was the hon. Member for Couva South who was eyeing Members on this side with very covetously. I do not mean just the female Members, I mean all Members, and in fact he was gracious enough to acknowledge that a significant number of us on this side—what he really meant was all—have distinguished ourselves in our respective fields. He was gracious enough to acknowledge that and he suggested that the composition of the House as it now stands, may not always remain that way. He suggested that. It is clear, Madam Speaker, that he may well be selling the Government short. I can tell you that—

**Hon. Member:** I have confidence in you.

**Mr. Manning:** Oh, I am more than confident. Not only do I have confidence, Madam Speaker, in the commitment of those of us on this side of the House, but I also have a mechanism that will be introduced as soon as the parliamentary committees are appointed in the Standing Orders Committee to give effect to the Crossing of the Floor Act.

**Mr. Panday:** I do not believe you.

**Mr. Manning:** You know the old story, Madam, Speaker, permit me just to digress for a few minutes to tell you a story. It is a story of a very devout Muslim who was travelling on his camel through the desert; and at 12.00 o'clock he dismounted his camel and knelt down to pray to Allah. He closed his eyes and prayed very devoutly for about 15 minutes. When he opened his eyes, he saw the camel as a tiny dot in the distance, and he protested, "but Allah, how could you do me this? You know I am a very devout Muslim, I pray to you regularly; why would you do me that?" Allah said to him: "Yes, that is quite true, but don't you know you must tie you camel?"

**Mr. Panday:** You want to tie those camels on that side?

**Mr. Manning:** Madam Speaker, I related that story not just for your benefit because I am sure that you know it; but I relate that story for the benefit of my hon. Friend from Couva North to let him know that he is not immune to the considerations that have given rise for the need to an amendment to the Standing Orders.

**Mr. Panday:** All those camels tied already. No need to tie these camels. They have broken these camels' legs. These camels know when they have crossed, they are dead—ask the camels who were there before you, they will tell you.

**Mr. Manning:** Madam Speaker, the hon. Member for Couva South raised, once again, a matter that has been raised time and time again.

**5.35 p.m.**

The hon. Member for Couva South raised once again, a matter which has been raised time and time again by the Members of the Opposition, and this is the question of discrimination. The hon. Member indicated that if there is a perception of discrimination, not that there must be discrimination, it is important enough for the perception to be addressed. Indeed, I agree entirely with the hon. Member for Couva South. The mechanism by which we address it might be the subject of a divergence of views, but the principle is something that we espouse. A mechanism has been placed in our manifesto. The hon. Members opposite seem to believe that the mechanism that we are suggesting is one designed to delay the process. In response to that, it is necessary for me to place in the record of this honourable House, the fact that when you are dealing with a matter of discrimination, as articulated by the Member for Couva South, more than ever before, we need to subscribe to the principle of evolutionary change.

If we make an error, especially if we go the route of setting up an institution at this stage without a proper investigation of the implications, we can very well find ourselves in a position where we end up institutionalizing discrimination. That is the pitfall that all of us as responsible elected Members of Parliament must avoid in the national interest.

**Mr. Maharaj:** Would the hon. Minister give way to a question? Would the hon. Minister tell us whether he would agree for a referendum to be called on the issue for the people of Trinidad and Tobago to decide whether it should not be what we have recommended?

**Mr. Manning:** I wonder if the hon. Member for Couva South would tell me if he is trying to get the Government to call an election in Trinidad and Tobago? That is a matter for us.

Madam Speaker, our manifesto says that the PNM's approach is to set up a centre for ethnic studies. For yet another time I want to make it clear to hon. Members opposite, because we, on this side, know it, that a centre for ethnic studies is designed to study the issues, to see what the realities are. Whenever people discuss the question of race, it is a very emotive matter and what is required is a discussion on this issue that is devoid of emotion.

What are the facts? Who is to tell us? This political party; that political party, for that matter, the third political party? Is it not better to utilize an approach that identifies a dispassionate observer, a neutral entity, a university? Is it not better to utilize the approach of the University of the West Indies, to study that issue, to identify what the facts are, to make those facts available to the national community and to the Government? In the case of the Government, the facts being used as a basis for decision-making. They may disagree with the approach; they may disagree with the pace at which change will take place, but one thing with which they cannot properly disagree, is the commitment of this Government to address that issue.

In fact, not too long ago, I paid a visit to the All Trinidad Sugar and General Workers Trade Union, which is headed by my good friend, the hon. Member for Couva North. He was gracious enough to receive me and to agree that Members of the executive of his union hold some discussions with the Prime Minister of Trinidad and Tobago. In those discussions, the question of Caroni (1975) Limited was raised. I see it was raised here today by one of the hon. Members opposite. I cannot recall which one it was. The need to address Caroni in the context of the same question of discrimination that had been raised, is one that was raised with me. There was a basic agreement on an approach that we will take to deal with the Caroni question.

You will recall, as indeed hon. Members will, that not too long ago it was the hon. Minister of Agriculture and Member for Diego Martin West, who placed in the records of the Parliament, the approach that the Government will take in seeking to deal with the issue of Caroni. We will set up an arrangement involving the Board of Caroni (1975) Limited, the Government of Trinidad and Tobago and the unions, because there are several unions representing the interest of the workers. We will set up that mechanism, sitting down around a table and we will

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begin to negotiate all that is required to set Caroni (1975) Limited on a sound and acceptable footing, recognizing that what we are dealing with is not just a company, but recognizing that we are dealing with a company that is of strategic importance in Trinidad and Tobago; a company, the future of which, impinges very significantly on the lives of a large section of the national community.

Our commitment is to remove the bones of contention that are associated with the conduct of the public affairs of Trinidad and Tobago. I can tell you, up to today, the Minister of Agriculture and myself, were discussing the exact mechanism, as indeed, we were discussing the Board of Caroni (1975) Limited. A new Board of Caroni (1975) Limited is to be announced shortly. It is necessary to put a Board in place at Caroni (1975) Limited which accords with the basic policy positions of the Government of the day. That is the reason for the change, and we propose very shortly to be able to make an appropriate announcement on the structure of those discussions and on the timing for the commencement of the discussions, important as they are.

In the very same way, it is not just discrimination from the standpoint that has been raised by the hon. Member for Couva South, because I think the hon. Member for Couva South also raised the question of the feeling of insularity in the context of Tobago. Madam Speaker, the record of this Government since we have been elected to office, the very short time, six or seven weeks, is one that can stand scrutiny on the Tobago issue. It is not too long ago that I had a chance to visit the sister island to address the House of Assembly and to hand out the olive branch. The olive branch was placed squarely before the people of Tobago. I am quite happy, as of now, with the relationship that exists between the Prime Minister, in whose portfolio Tobago falls, and the representatives of Tobago as they sit in the House of Assembly. We are going through a period of structural adjustment. The Minister of Finance was quite clear in the budget presentation, on the financial realities, that notwithstanding the fact that we have had to impose taxes in a number of areas, the revenues of Trinidad and Tobago are short of the total revenues in 1991, when the circumstances were very different. We still have a shortfall of revenue over and above the amount of money that was raised by the state one year ago, the year 1991.

What we are saying is, if we are members of a family, as indeed we are, when there are good times, everybody shares in the good times, but when there is adversity, everybody has to share in it. It has nothing to do with whether you are from Toco, Cedros, Castara, Galeota, Caroni, or any other part of the country.



What matters is the fact that the country is not in a position to finance all that is required to satisfy the national aspirations at this time, and therefore, in those circumstances, it is necessary to make adjustments. All we are saying is that the adjustments must be equitably shared across the board, and that was the philosophy of the first budget presented by the new Government.

**5.45 p.m.**

Madam Speaker, if therefore there were cuts in the development programme for Tobago, as indeed there were, there are cuts in the development programme for Trinidad and Tobago. The cuts were not made on the basis of vindictiveness or spite; the cuts were made in the context of the harsh realities of our economic and financial situation. We just do not have the money to finance all that is required. And even so, some estimate was made of the moneys that were required to ensure the continuation of ongoing projects and we ensured that in our assessment adequate provision was made for that in the budget.

When the Chairman, Deputy Chairman and other members of the Tobago House of Assembly came to talk with us on Monday last, we assured them of all the things that I am now saying. We also assured them that the outlook for oil prices is not good and we are examining a mechanism—the Minister of Finance has spoken about it—designed to protect the budgetary requirements of Trinidad and Tobago against the possibility of a significant and catastrophic reduction in oil prices. We are looking at it—we have had to look at it—and it may or may not come to pass.

As of now, some of the OPEC countries have made a token cut in their production levels, but even so, the OPEC countries today—producing just over 20 million barrels a day—are producing at the highest rate than they have produced for some time in the recent past. We are also facing, as we come out of the winter season, and as the demand for heating oil and therefore the demand for crude goes down, increased production in export from Iran and Kuwait. That is what we are facing, and unless good sense prevails at OPEC, and unless there is an agreement to reduce production across the board—oil prices, subject as they are to the considerations of supply and demand—over-production can lead to a collapse in oil prices as happened in 1986.

I am an optimist, Madam Speaker. I am still optimistic that it will not come to pass, but you see, we must tie our camel. Therefore, while we hope for the best,

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we must take steps to protect ourselves against the eventuality of the worst, if it makes sense.

We assured the House of Assembly that at mid-year we will review our budgetary allocations in the context of what would have transpired in the first six months of the year, particularly as it relates to revenue. But more than that, subsequent to that meeting, the following letter was transmitted to the Chairman of the House of Assembly. With your permission, Madam Speaker, I should like to read this letter into the records of Parliament:

"February 3, 1992

Mr. Lennox De Noon  
Chairman  
Tobago House of Assembly  
Scarborough  
Tobago.

Dear Mr. Chairman,

As you are well aware there has long been a simmering discontent among some residents of Tobago about the working relationship of our two islands in a number of spheres. There is the feeling that the legitimate needs and aspirations of Tobago are not adequately satisfied by the existing machinery that regulates the union of Trinidad and Tobago.

I am anxious to do whatever is possible, within the context of the maintenance of the unitary state, to ensure a harmonious and equitable framework that will dispel any such discontent. To this end I invite you, and through you, the House of Assembly, to formulate proposals which would, if implemented, remove all grounds for dissatisfaction on the part of Tobago and thereby lead to a cementing of the bonds that unite Trinidad and Tobago.

I give you the assurance that any such proposals will receive prompt, serious and careful consideration. Let us work together for amity and brotherhood based on justice and mutual trust.

Yours sincerely"

There can be no greater indication of the determination of the Government of Trinidad and Tobago to ensure that whatever feelings of insecurity; whatever insularity—if I can borrow a word from my friend from Couva South—may exist in the minds of sections of the national community resident in Tobago, there is a

commitment on the part of this Government to eradicate that as a consideration in our national life, as indeed, we are determined to eradicate the feelings of discrimination that exist as has been articulated by my good friend from Couva South.

The Member for Tobago West is seeking to give the impression that since no CNG station has been announced for Tobago, there has been discrimination in Tobago. Madam Speaker, to say that is to misunderstand completely the realities of the energy sector and particularly, economic realities. Many years ago, there were some significant discoveries of gas on the north coast. The difference between north coast gas and east coast gas is price. On the north coast, the gas is dry gas, that is to say, there is no condensate production associated with it. Therefore, there are no liquids that will attract a high price that could offset the cost of gas production, making the gas available at a lower price. That is not the case on the north coast, it is dry gas.

Furthermore, the gas fields have been discovered in approximately 450 feet of water, as opposed to the Gulf of Paria, where the water depths will hardly exceed 90 feet; as opposed to the east coast of Trinidad where the water, though it is relatively deep—200 to 300 feet in some instances—is considerably shallower than the water depths in the north coast. The implication being that the cost of producing that gas is that much higher. Whereas, the National Gas Company can sell east coast gas to some of the gas users at Point Lisas at just above US \$1.00 per thousand cubic feet, the cost of north coast gas is approximately five times that.

**Madam Speaker:** The speaking time of the hon. Member has expired.

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

**Mr. Manning:** Thank you, Madam Speaker.

To be able to justify the development of the fields, you need a project that will use a significant quantity of that gas. The only project of which we are aware at this time, that can do that, is a project for the exportation of the natural gas in the liquefied state, liquid natural gas, LNG as it is called. Therefore, when British Gas recently approached the Government on an LNG project which will represent a substantial investment in the country, the Government readily agreed that that is a position with which we can go.

British Gas having bought out the holdings of Tenneco not too long ago, as part of a consortium with Deminex, Agip and Occidental—in one case with Deminex and Agip in the other. Just for the record, that project is so large that it has a significant gestation period. Under normal circumstances, you will not begin to see activities in the ground before 1995 or 1996. The gestation period is long, so I want to make it quite clear that I am not saying that tomorrow morning you will see the exportation of 600 million cubic feet of gas. Billions of US dollars—that is a lot of money. It is the only way you can justify it.

Could you justify developing one of those fields to pipe gas to Tobago for a CNG project, a project that will utilize compressed natural gas as a motor fuel? It cannot be justified. If every vehicle in the country converted from gasoline to compressed natural gas, the total utilization of natural gas on a daily basis by that particular project will be no more than 30 million cubic feet per day, and I am being very generous on the figures.

**5.55 p.m.**

Madam Speaker, a modern ammonia plant at Point Lisas will use about 50 million cubic feet of natural gas on a daily basis and therefore one has to understand that compressed natural gas has to be an incremental development to the development of the energy and gas sector of any country. There is a very good reason why today there is only one station still. We cannot justify putting a CNG station in a part of the country where there is no natural gas system in place. There is a pipeline charge. The cost of the pipeline has to go in and the utilization of gas by one station is so low that it cannot justify the heavy expenditure that will be associated with the fitting in of the infrastructure. In other words, there is a constraint, the constraint being that the stations can only be placed in parts of the country where there is an existing infrastructure of natural gas.

The largest user of natural gas in the country is the Trinidad and Tobago Electricity Commission. There is a line that runs from Point Lisas straight up to the coast and then it goes along the East-West Corridor down to T&TEC. Therefore any gas station along the route of that line can be converted to compressed natural gas. There is no such line in Cedros and because of the low utilization of gas by one station you cannot justify on economic grounds, putting in a line for Cedros and making that kind of service available to that part of the country. So in determining the location of CNG stations the first thing that one has to do is to look at the gas grid in the country and then decide where to have it and where not to have it. Unfortunately, there is no gas production in Tobago,

and therefore, there can be no justification for installing a CNG station in that part of the country. It is not discrimination at all. It is a straight case of the economic realities.

That brings me to the question raised by my good friend from Couva North. Since a debate in this Parliament, and I was sitting here in that year and I heard the hon. Member for Tobago East raise the question of oilfields in Tobago, and of course there was the promise that the ruling party between 1986 and 1991 would have developed the oilfields in Tobago. The party has come and gone—with the oilfield. As of now there are no oilfields that have been discovered in close proximity to Tobago, none. In fact, Madam Speaker, I can remember the Member for Tobago East in the honourable House and I think elsewhere, indicating upon a clear night you can see the flames burning.

If you are on the fort in Tobago or if you are on an aircraft as it takes off from Crown Point you would see the flares below the horizons and as the aircraft gains height and as it approaches Trinidad you would see the flares above the horizons. Those flares represent the oil and gas fields on the east coast of Trinidad.

Madam Speaker, the hon. Member for Tobago West and I am really sorry she is not here—I do not wish to be accused of answering charges in the absence of those who laid the charges but the record will show that I am here. I hope of course that she has not left as a result of ill health. If that is so Madam Speaker, I wish her a speedy recovery. "Do not disturb projects that are progressive and productive." That is the charge.

Madam Speaker, you will imagine that my ears went up to identify which productive projects and progressive projects the PNM disturbed. Do you know which one she identified, Madam Speaker?—Labour Intensive Development Programme. And we have not disturbed it in the way which the hon. Member suggested. It is normal but as you come to the end of the year and as the budgetary allocation expires before the passage of a new budget and new appropriations are made for the LIDP project, the project is closed down. Indeed, when the Cabinet takes a decision on the LIDP project at the beginning of the year the decision normally includes the length of time that the project will be conducted in the country. Normally it begins in March and it ends somewhere in October. The last year was an unusual year. What made it unusual? It was an election year. As the Minister of Finance will tell you before he formally picked up his portfolio he had to sign a warrant that placed a charge on this year's appropriation in respect of last year's expenditure in the context of an election

falling in December, 1991. That is all right. I am not getting involved in all of that.

The record will show that it is the PNM's intention to restart the LIDP project very shortly. Indeed, the Minister of Finance indicated in the budget \$90 million had been allocated for that purpose, and even though we are identifying charges that we did not foresee on that allocation of \$90 million, the project will start sometime in the month of March.

**Mr. B. Panday:** The Member for Chaguanas had asked whether those moneys of which you speak, that is moneys that ran over into this year would be deducted from the \$90 million.

**Mr. Manning:** Unfortunately, yes, and it places us in a difficult position because what it now means is if the revenues happened to be enhanced in any way LIDP is going to have first call and any additional revenues over and above what would have been anticipated at the beginning of the year. That is our commitment to unemployment relief. We are not going to stop it. With all its imperfections we are not going to stop it and thereby disrupt the lives of many people in Trinidad and Tobago.

We announced recently that on the basis of the committee's report—the committee was headed by the party's vice-chairman who today is the Minister of Finance—we propose as soon as the carnival is over to initiate consultations on this question of unemployment recognizing that it is an important problem that faces the country at this time.

One of the proposals that will be put before that consultation will be a new unemployment relief programme that is structured in a manner, that among other things, takes the level of productivity into account utilizing as far as is possible, a mixture of supervisory resources from the public and private sectors. We will put that before the consultation and we will get a point of view from those who participate in it.

Far from disturbing the projects, and far from closing down projects the PNM intends to continue all projects even if we have some reservations about them, giving us time to study each project in turn and to be able to identify a more definitive position. I can tell you that position is espoused as a result of previous PNM experiences.

**6.05 p.m.**

In 1978, I think it was, I was part of a decision to discontinue work on two composite schools in the country, one in Cedros and one in Mayaro. Those schools were completed 10 years later, and you begin to ask yourselves whether—because the charge was that the schools were being constructed in a sub-standard manner and the safety of the students was at stake—the decision that was taken then to stop the project was the best course of action. Would it not have been better to negotiate a modified arrangement that would have ensured the completion of the school much earlier than the ten-year period and therefore give the students access to it. The PNM made that error. We have learned from it. You do not shut down projects.

There is another one, the Racing Complex, \$120 million was spent. I was part of the decision to shut it down and I agreed with the decision. Today, we have no racing complex and one must ask oneself whether, in the final analysis, that would have been the best course of action. We therefore conclude—whether you agree or disagree, like it or not—to stop a project does not appear to be the best course of action in all the circumstances. Even where we disagree, we will continue projects while we review them. We are not stopping them at all and in that way we avoid the country falling into the situation that faced us in 1987 when two major projects were stopped, the development of the Pelican gas field and the construction of a natural gas liquids recovery plant.

It was the Member for Diego Martin Central—and I hope I have a few minutes left—who made the point that what we expect in 1992 and in the years ahead as we put our economic policies in place, is an expansion of economic activity. It was the hon. Member for Tobago West who suggested that no increase in activity could be expected; that there will be further deterioration in the economy. We have been arguing this since 1987. We have been arguing that if you cut the salaries of public servants and take away cost of living, as happened in 1987, then the net benefit to the Treasury will not be what you expect it to be, because as you do that you reduce the spending power of the population; you bring about economic contraction and it manifests itself in the non-oil tax revenues of the country.

Draft Estimates of Revenue for the year 1980—it is a public document; it is laid in Parliament as part of the budgetary documents. The actual taxation from individuals in 1986 amounted to approximately \$1,171 million. In 1987, the

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budget estimated an increase in that figure to \$1,242 million. The figure was revised downwards at the end of the year—when the budget documents were coming out, before the final figures were known—to \$977 million, and in fact, at the close of the year, the actual figure was just above that, \$1.045 billion, which was less than anticipated at the beginning of the year and more importantly, it was less than the revenue from taxation in the previous year, 1986. As you will recall, in that year, the figure stood at \$1,171 million. The reason for that was economic contraction.

In 1988, the figure was less again. It fell from \$1,045 billion in the previous year to \$940 million as we saw a continuation of policies that had the effect of economic contraction. You will recall that it was in that year a 5 per cent mobilization tax was put in place which had the effect of reducing the disposable income in the hands of the population.

In 1989, that is the year that the salaries of public servants were cut by 10 per cent. The anticipated revenues at the beginning of the year were \$949 million approximately. At the end of the year the revised estimate, before the final figures were in, was \$759 million and when the final figures were in, it turned out that the revenue was even lower, \$727 million. Anticipated, \$949 million; actual, \$727 million.

In 1990, the second year of the 10 per cent cut in the salaries of public servants, the anticipated revenue was \$711 million roughly and the actual figure at the end of the year was significantly low—it was \$570 million. In every instance, the actual figure from tax from individuals being less than the anticipated figure at the beginning of the year when the budget was presented to this honourable House. What is even of greater significance is the trend: \$1.1 billion in 1986; \$1 billion in 1987; \$940 million in 1988; \$747 million in 1989 and \$570 million in 1990. All of that—the fall in revenues from individuals as a result of mobilization tax, the removal of cost of living allowance and a cut in the salaries of public servants—was responsible in large measure, though not the only reason, for these figures. It is not possible to use the 1991 figures in that argument, not only because they are not in, but because of the Saddam Hussein event of late 1990 spilling over into 1991, which would have resulted in a significant increase in revenues from taxation in that year.

The point that we are making is that as you cut the disposable incomes of a significant section of the population and in a significant way, you see the negative



effects of that in the taxation revenues from individuals and that you do not get, as happened in the case of the last Government, the revenues that you anticipated.

**6.15 p.m.**

Madam Speaker, our analysis of that tells us that the corollary is also true, and we have been saying that since 1987. When we took the decision to honour our legal obligations—we could do nothing else, it is a legal obligation—a court of law says that the salaries of public servants should be the subject of a 2 per cent increase and there should be a reinstatement of cost of living allowance. It has nothing to do with whether you agree or disagree, all it has to do with is whether you are prepared to uphold your oath of office to respect the constitution and the law. That is all it has to do with and we are committed to upholding the Constitution and the law. Therefore, we must be committed in those circumstances to implementing the decision of a court of law in respect of the emoluments of public servants and that is why we did it. But there is an implication to it. It has the effect of increasing the disposable income in terms of a significant section of the population and it is on that basis, together with the other measures that have been included in the budget, that this Government is able to predict economic expansion in 1992.

I believe that I have dealt with the major issues that have been raised on the other side. I want to assure hon. Members opposite that their fears, as have been expressed by the Leader of the Opposition in a previous sitting, of the Government not engaging the Opposition in debate are fears that are entirely without foundation. In fact, I can tell you that every Member on this side has been asked to stand by in the event that it becomes necessary for one of us to intervene in the debate. And incidentally, all the Members of that side. *[Interruption]* When I say “on this side”, I was speaking figuratively. I want to assure them that every Member was briefed to speak if it became necessary, and that it is our intention to engage the Opposition on every issue that they raised in this Parliament, or elsewhere. We can do it wherever they wish. We are convinced of the rectitude of our cause. We are convinced of the direction in which we are taking Trinidad and Tobago, and the possibilities of the success that we anticipate and that is why I have no difficulty in supporting the motion moved by the hon. Member for St. Ann’s East, and hon. Minister of Finance, which is the subject of deliberations today before this honourable House.

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, there were a number of issues raised, most of which have been adequately dealt with by

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Members on this side. If I could just deal with one or two, that perhaps needed some emphasizing. The brunt of the concern on the other side is related to the taxes on petroleum products. Members have expressed fears about the ripple effect that it is having on the transportation system in the country.

As we had earlier indicated, we sought in this revenue measure, nevertheless to cushion its effects from the population, and we put in certain measures. Of course, we pointed in the long term to the CNG, but in the short term, we only moved up the diesel price by \$0.07 per litre, as against a much larger increase in gasoline prices. We put no surcharge on maxi-taxis imported with the permission of the Minister responsible for transport, and then we have structured the motor vehicle tax at a quarter of what it normally is on passenger vehicles as related to maxi-taxis. Finally, unrelated to the budget, as an administrative measure, the Minister with responsibility for Public Utilities has started implementing a limited school bus service so as to insulate some of our school children from price increase.

We are aware of what is going on in the country. Each one of us on this side, as Members of Parliament, is monitoring it in his constituency, and attempting wherever possible to intervene where we believe that the charges are unjustified in relation to the price increases for fuel.

The next item that was raised that needs some clarification, is the attempt on the other side to wrongly paint what we have done in relation to meeting the court award for the public servants.

What we have done in meeting the court award for the public servants, and one interested party, *vis-a-vis* what prevails in Caroni (1975) Limited has to be properly understood. Quite some time ago, there were arrears accruing because of a payment situation where moneys were owed to workers of Caroni (1975) Limited so backpay accrued. But that matter was settled and the workers got their proper pay, although the backpay issue was not addressed. We have dealt with the public servants in exactly the same way. We have dealt with the court award, and as of March 1, we will pay public servants their proper salaries, leaving yet unaddressed the backpay issue, so that from both quarters they are now on equal terms.

Also to be fair, and recognizing that some of the workers had fallen through a crack at Caroni (1975) Limited and had not been addressed, through the increase in the price of sugar, we allowed that situation to be addressed. So that, where we

are today is that two groups are now on equal footing and we are not in a position dissimilar to the one held by the Member for Couva North in that both now have backpay arrears and that is a matter which we will be addressing in the future through negotiation and consultation.

Madam Speaker, if I could go on to another matter which was raised by the hon. Member for Tobago West, and like Members on this side, I was very pleased to see the hon. Member here. I am certain that she may have benefited from measures passed in this House to speed her recovery, that is the availability of VAT-free drugs, so we certainly welcome seeing her here. But she raised a number of questions that I feel I have to answer here. The facts are that on the CNG matter, that has been adequately addressed by the hon. Member for San Fernando East, certainly in devising strategies like that for the whole country, not everybody benefits at the same time.

On the matter of the \$100,000 allocated in the Tobago House of Assembly budget for tourism, I think she would know that the Tobago House of Assembly has a great flexibility in moving budget items around, and that even though that might have been suggested, so long as they are staying within the general allocation they have great flexibility—*[Interruption]*—I think, in making that remark, the Member for Oropouche would allow me to say that is part of the evolutionary process from which we are all benefiting.

The Member for Chaguanas raised a number of matters, and we on this side have come to perk up and listen. Whenever the Member for Chaguanas is on her feet, she certainly makes very valuable contributions. Certainly from our part, we heard her argue well the case for social relief programmes, and we on this side are sensitive on that matter, because we have been painted with a certain brush about being a party too concerned with welfarism and therefore I wish I could solicit her support in having her argue some of these cases for us as she did so well this afternoon.

In the matter of LIDP, it is true that we allocated \$90 million, and this was quite some distance short of what the allocation was—well that is not quite true, Madam Speaker. What was allocated in 1991 was only \$70 million; what was spent was \$170 million. What we have allocated in 1992 is \$90 million and we really would have liked to have done more, but it is a question of what you can allocate that is a recurrent expenditure that is seen to be sustainable. If we put in a figure there that is due to be unsustainable, then we are asking for trouble. We believe that \$90 million is a sustainable figure because of the questions raised on

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the other side about payment to workers which the hon. Prime Minister dealt with, and about accounts payable from the Ministry of Works, all kinds of quarry materials, steel blocks, *et cetera*, that is certainly true. I do not know if the Minister in charge has a full tally yet, but we do know that a lot of it represents a charge on that \$90 million. That is why the hon. Prime Minister has given the assurance that depending on the mid-year out-turn of budget revenues, that LID Programme will have to be one bearing the first consideration on any increase in revenue over what we are now anticipating.

There was a vexed question of the Betting Levy Board. Madam Speaker, I would confess that no matter in the budget seems to have raised such concerns as this one. Let me say that questions were raised that the figure that we put was arbitrary. In the time again available to prepare the budget, we want hon. Members to understand that this was a contentious issue, because there were interested parties on both sides, and the previous Government seems to have settled on a figure of about \$175,000 in place of the 25 per cent fee on bets. We moved it to \$200,000. We heard arguments from all sorts of parties as to why it should be less and why it should be more.

The Member for Tabaquite, for instance, felt that we should have charged more. But at the same time he was querying our putting that on a quarterly basis and was asking the question what if one of them went broke, then how could we collect the quarterly payment that we should have collected up front? That, itself, begs a question. If you are sure that \$200,000 is not enough, then the matter of a pool going broke really does not arise. So you cannot hunt with the hounds and run with the hare at the same time. You have to decide which it is. Faced with that difficult position, in the short term, we plumped for \$200,000, but I will give this House the assurance that this matter, considered the narrow revenue aspect alone, and several other matters came to the attention of the Minister of Finance and the Minister of Trade, but they were not properly the subject for a Provisional Collection of Taxes Order. The questions of whether we should have opened up betting licences and all sorts of other considerations that were brought to bear during the preparation of the budget are not properly to be addressed under a provisional collection of taxes order. That is wrong. I could not do so.

I give the House the assurance, however, that my understanding is that there is a draft bill that was inherited that is now receiving the attention of the Minister of Trade and Industry. That after discussions and so forth, we are likely to see

something coming up of a more complete nature that addresses some of the concerns related to this matter raised in this Parliament.

There was one other item about newspapers: Why did we not extend the VAT exemption to newspapers as well? Frankly, our focus was narrow. We had given a commitment during the general election campaign to remove VAT from school books. What happened as we began to prepare to administer that particular modification of the VAT Act, was the difficulties in administration that it would pose if we restricted it narrowly to school books. What would happen, for instance, if a school curriculum prescribed Shakespeare's "As You Like It", and that was a school book, but right alongside it, on the bookshelf was Shakespeare's "Julius Caesar" that was not on the curriculum and therefore vatable? There were all sorts of difficulties that the VAT administration anticipated in administering a narrow definition of school books as would happen in the world of commerce as we attempted to administer that. Therefore, we moved from a narrow definition of school books to a broader definition of books and because the point of sale of newspaper and so forth is somewhat different than with books generally, we were able to contain the damage to the Exchequer somewhat, by limiting it to books of all nature, and leaving newspaper, periodicals and so forth still under the VAT net. So it was purely a matter of administration as to how we got to that particular pass.

Madam Speaker, there was the question raised about motor vehicles and taxes thereof. We are not putting up the price of motor cars as a revenue measure when it comes to that import surcharge. I am now addressing the matter raised by the Member from Nariva. The Member implied that that was a revenue measure. As part of the trade liberalization process and as we move items off the negative list, in order to protect the existing manufacturing industry, we are committed to charge an import surcharge on items that can now be imported because of the removal of the negative list, but for which protection is required because there is an existing domestic manufacturer, and that is for a short period of time, and that surcharge is supposed to be reduced every year until it comes down finally to the CBU rate.

That is what is there when you are calculating those figures for imported or completely built-up units, but you must remember that those units will be coming in to compete with locally assembled units that are still at a lower price. So we are deliberately hiking the price of the CBU, so as to afford some measure of protection, albeit on a reducing basis to the local manufacturer. So I hope that I have clarified that matter for you.

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So, Madam Speaker, I think I have touched on all the items that were left unanswered from that date. I know that several others were raised, but I think they have been comprehensively dealt with by Members on this side. Therefore, Madam Speaker, I beg to move that the Provisional Collection of Taxes Order, 1992, be confirmed subject to the modifications on the Order Paper.

*Question put and agreed to.*

*Resolved:*

That the Provisional Collection of Taxes Order, 1992, be confirmed.

**CUSTOMS (IMPORT DUTY)  
(CARIBBEAN COMMON MARKET) 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 section 7(1) of the Customs Act, Chap. 78:01, that the President may by Order increase or reduce any import or export duties of customs or impose new import or export duties of customs, and from the date of publication of the Order in the *Gazette* and until expiry thereof, the duties specified in the Order shall be payable in lieu of any duties payable prior thereto;

*And whereas* it is provided by section 7(2) of the Customs Act that every Order issued under section 7(1) shall, after four days and within twenty-one days from the date of its first publication be submitted to Parliament, and Parliament may by resolution confirm, amend or revoke such Order and upon publication of the resolution of Parliament in the *Gazette* the resolution shall have effect and the Order shall then expire;

*And whereas* the Customs (Import Duty) (Caribbean Common Market) Order, 1992 was made under sections 7 and 10 of the Customs Act and first published in the *Gazette* on the 17th day of January, 1992;

*And whereas* it is expedient to confirm the said Order:

*Be it resolved* that the Customs (Import Duty) (Caribbean Common Market) Order, 1992 be confirmed.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That the Customs Import Duty (Caribbean Common Market Order), 1992 be confirmed.

**CUSTOMS (IMPORT DUTY)  
(CARIBBEAN COMMON MARKET) (NO. 2) 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 section 7(1) of the Customs Act, Chap. 78:01, that the President may by Order increase or reduce any import or export duties customs or impose new import or export duties of customs, and from the date of publication of the Order in the *Gazette* and until expiry thereof, the duties specified in the Order shall be payable in lieu of any duties payable prior thereto;

*And whereas* it is provided by section 7(2) of the Customs Act that every Order issued under section 7(1) shall, after four days and within twenty-one days from the date of its first publication be submitted to Parliament, and Parliament may by resolution confirm, amend or revoke such Order and upon publication of the resolution of Parliament in the *Gazette* the resolution shall have effect and the Order shall then expire;

*And whereas* the Customs (Import Duty) (Caribbean Common Market) (No. 2) Order, 1992 was made under sections 7 and 10 of the Customs Act and first published in the *Gazette* on the 18th day of January, 1992;

*And whereas* it is expedient to confirm the said Order:

*Bet it resolved* that the Customs (Import Duty) (Caribbean Common Market) (No. 2) Order, 1992 be confirmed subject to the following modifications:

(a) in paragraph 2, delete the item "Diesel oil .. .. 17 cents per litre" and substitute the following times:

"Auto diesel oil .. .. 17 cents per litre

Marine diesel oil .. .. 10 cents per litre.";

(b) after paragraph 2 add a commencement clause as follows:

"Commencement                    3. This Order comes into operation on 13th  
January, 1992."

*Question proposed.*

*Question put and agreed to.*

*Customs (Import Duty) (No. 2) Order*  
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*Resolved:*

That the Customs (Import Duty) (Caribbean Common Market) (No. 2) Order 1992, be confirmed.

**EXCISE DUTY (TOBACCO PRODUCTS) 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 (2) of section 13 of the Excise (General Provisions) Act, Chap. 78:50 that the Minister may by Order impose any new excise duty or increase any excise duty and from the date of publication of the Order in the *Gazette* and until the expiry thereof the duties specified in the Order shall be payable in lieu of the duties payable prior thereto;

*And whereas* it is provided by the said subsection that every Order issued under that subsection shall, after four days and within twenty-one days from the date of its first publication, be submitted to the Senate and House of Representatives and the Senate and House of Representatives may by resolution confirm, amend or revoke such Order, and upon publication of the resolution of the Senate and House of Representatives in the *Gazette* the resolution shall have effect and the Order shall then expire;

*And whereas* the Excise Duty (Tobacco Products) Order, 1992 was made under subsection (2) of section 13 of the Excise (General Provisions) Act, and first published in the *Gazette* on the 17th day of January, 1992;

*And whereas* it is expedient to confirm the said Order:

*Be it resolved* that the Excise Duty (Tobacco Products) Order, 1992, be confirmed.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That the Excise Duty (Tobacco Products Order) 1992, be confirmed.

**EXCISE DUTY (ALCOHOLIC BEVERAGES) ORDER**

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



*Excise Duty (Alcoholic Beverages) Order*

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*Whereas* it is provided by subsection (2) of section 13 of the Excise (General Provisions) Act, Chap. 78:50 that the Minister may by Order impose any new excise duty or increase any excise duty and from the date of publication of the Order in the Gazette and until the expiry thereof the duties specified in the Order shall be payable in lieu of the duties payable prior thereto;

*And whereas* it is provided by the said subsection that every Order issued under that subsection shall, after four days and within twenty-one days from the date of its first publication, be submitted to the Senate and House of Representatives may by resolution confirm, amend or revoke such Order, and upon publication of the resolution of the Senate and House of Representatives in the *Gazette* the resolution shall have effect and the Order shall then expire;

*And whereas* the Excise duty (Alcoholic Beverages) Order, 1992 was made under subsection (2) of section 13 of the Excise (General Provisions) Act, and first published in the Gazette on the 17th day of January, 1992;

*And whereas* it is expedient to confirm the said Order:

*Be it resolved* that the Excise Duty (Alcoholic Beverages) Order, 1992, be confirmed.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That the Excise Duty (Alcoholic Beverages Order) 1992, be confirmed.

#### **EXCISE DUTY (PETROLEUM PRODUCTS) 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 (2) of section 13 of the Excise (General Provisions) Act, Chap. 78:50 that the Minister may by Order impose any new excise duty or increase any excise duty and from the date of publication of the Order in the Gazette and until the expiry thereof the duties specified in the Order shall be payable in lieu of the duties payable prior thereto;

*And whereas* it is provided by the said subsection that every Order issued under that subsection shall, after four days and within twenty-one days from the

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date of its first publication, be submitted to the Senate and House of Representatives and the Senate and House of Representatives may by resolution confirm, amend or revoke such Order, and upon publication of the resolution of the Senate and House Representatives in the *Gazette* the resolution shall have effect and the Order shall then expire;

*And whereas* the Excise Duty (Petroleum Products) Order, 1992 was made under subsection (2) of section 13 of the Excise (General Provisions) Act, and first published in the *Gazette* on the 18th day of January, 1992;

*And whereas* it is expedient to confirm the said Order:

*Be it resolved* that the Excise Duty (Petroleum Products) Order, 1992, be confirmed subject to the following amendment:—

(a) in paragraph 2, delete the item “Diesel oil .. .. 17 cents per litre” and substitute the following:

“Auto diesel oil .. .. 17 cents per litre

Marine diesel oil .. .. 10 cents per litre.”.

(b) after paragraph 2 add a commencement clause as follows:

“Commencement                    3. This Order comes into operation on 18th January, 1992.”.

*Question proposed.*

*Question put and agreed to.*

*Resolved:*

That the Excise Duty (Petroleum Products Order) 1992, be confirmed.

*Motion made and question proposed,* That the House do now adjourn to a date to be fixed by the Speaker. [*Hon. K. Valley*]

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 6.40 p.m.*